Daily Report

East Europe

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FBIS-EEU-95-116 *16 June 1995*

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Melescanu Favors Building Belene Nuclear Plant

AU1606080995 Sofia TRUD in Bulgarian 12 Jun 95 p 3

[Article by Nevena Troyanska: "Romanians Agree to Belene Nuclear Power Plant Construction"]

[FBIS Translated Text] Bucharest does not oppose, in principle, the construction of the Belene Nuclear Power Plant. However, the Romanians feel themselves slighted by the fact that they have not been consulted on the matter beforehand. This became clear at the 10 June meeting between Georgi Pirinski, Bulgarian foreign minister, and Teodor Melescanu, Romanian foreign minister, which took place at the Evksinograd residence.

"Romania does not oppose nuclear power plants. However, the risk involved in their construction must be reduced to a minimum. As far as the Belene Nuclear Power Plant is concerned, every government has the right to adopt a decision on constructing such a plant, but when the matter affects a neighboring country, there should be prior consultations," Minister Melescanu said to TRUD.

The two ministers coordinated the schedule of their regular bilateral meetings until the end of the year. They agreed to adopt joint measures to compensate for the Yugo-embargo, receiving equal treatment by the EU, and easing the visa regime imposed by the Schengen agreement.

An agreement on constructing a second bridge across the Danube is expected by July. The two ministers reviewed the map, but were unable to point out the specific site of the construction project.

Answering a TRUD question about what the Romanian Government's attitude is to the geographic maps that are being put out in which southern Dobrudzha is included in Romanian territory, Romania's top diplomat pointed out that there is no responsible political force in Romania that has territorial claims toward Bulgaria.

Pavlov Comments on NATO Ministers' Meeting

AU1606091795 Sofia BULGARSKA ARMIYA in Bulgarian 12 Jun 95 p 1

[Article by Vasil Dimitrov: "Bulgaria Is in First Wave"]

[FBIS Translated Excerpt] On 9 June Defense Minister Dimitur Pavlov returned from Brussels, where he had taken part in the fourth regular meeting of the NATO defense ministers with their colleagues from the 26 countries that have signed the Partnership for Peace program. The participants reviewed European security, paying special attention to the Yugoslav conflict, discussed the procedures related to planning the Partnership for Peace program, and reported on their activity within the framework of the agreement.

Mr. Pavlov noted that "Bulgaria is in the first wave of the partnership," i.e., among the 14 states that took place in the first cycle of reviewing the planning procedures. "I think that we are participating in this initiative with much purposefulness and in accordance with our national interests and possibilities. We see in this our road toward joining the present and future European and Euro-Atlantic structures," Minister Pavlov said.

At Bulgaria's Embassy in Brussels, Minister Dimitur Pavlov received defense ministers Valeriy Shmarov of Ukraine, and Gheorghe Tinca of Romania. [passage omitted]

Meetings with the defense ministers Volker Ruehe of Germany, Jan Sitek of Slovakia, and Gyorgy Keleti of Hungary have taken place at NATO headquarters.

Minister Dimitur Pavlov has participated in a working breakfast with U.S. Defense Secretary William Perry, and the ministers of the other partner countries. Minister Pavlov briefed the participants on the results of the "Joint Rescue-95" naval maneuvers, which took place in Bulgaria from 2 to 7 June.

Petkovski Views Relations, Possible Summit

AU1606104695 Sofia TRUD in Bulgarian 13 Jun 95 p 19

[Interview with Tito Petkovski, vice chairman of the FYROM Assembly and chairman of the Social Democratic Alliance of Macedonia parliamentary faction, by Sevda Dinovska; place and date not given: "Socialists From Sofia and Skopje Could Reach Agreement on the Macedonian Language"]

[FBIS Translated Excerpt] [Dinovska] Mr. Petkovski, is your visit to Bulgaria a sign of an upcoming summit meeting, at which bilateral agreements could finally be signed?

[Petkovski] Summit meetings have already taken place between Bulgaria and Macedonia [The Former Yugoslav Republic of Macedonia—FYROM]. Mr. Zhelev and Mr. Gligorov met both in Macedonia and Bulgaria, and in other places. Thus, in this context, our visit here could be interpreted as the sign of an upcoming meeting between our prime ministers. As known, Branko Crvenkovski and Zhan Videnov are the youngest prime ministers in Europe. Thus, we could expect political and economic agreements.... [passage omitted]

[Dinovska] Bulgaria is now ruled by the Bulgarian Socialist Party [BSP], which inherited the positive and neg-

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ative aspects of the Bulgarian Communist Party legacy. Your party also springs from the former Macedonian Communist Party. In this context, do you anticipate greater understanding and aid?

[Petkovski] My initial impressions of the BSP are exceptionally positive. Thus, we expect absolutely correct relations between our parties. As you know, all political parties in Bulgaria and Macedonia, without exception, spring from the former Communist Parties.... [passage omitted]

[Dinovska] Your name has been mentioned recently as an eventual heir of incumbent President Kiro Gligorov. Do you intend to present your candidacy at the next elections?

[Petkovski] Honestly, this is the first time that I have heard this. Our president has just started his mandate, and no one could predict what could happen after five years. [passage omitted]

[Dinovska] Your constitution points out that Macedonia will defend the rights of the "Macedonian minorities" in Bulgaria and Greece.

[Petkovski] No. Our constitution points out that it is the duty of every state to protect representatives of its people who are living in other states. This means cultural aid and so on. We clearly understand that minorities' rights are a matter of internal state policy. Thus, the rights of the Macedonians in Bulgaria and the Bulgarians in Macedonia are internal matters. [passage omitted]

Videnov, Voigt Discuss Euro-Atlantic Structures

AU1406143895 Sofia Khorizont Radio Network in Bulgarian 1300 GMT 14 Jun 95

[FBIS Translated Text] On 14 June, Prime Minister Zhan Videnov received Karsten Voigt, chairman of the North Atlantic Assembly. They discussed Bulgaria's attitude toward the Euro-Atlantic structures and the possibilities of developing relations in the direction of providing guarantees for integral security in the space between Vancouver and Vladivostok.

Mr. Voigt invoked the problems Bulgaria encounters as a result of the Shengen Agreement and expressed willingness to cooperate in resolving them at the relevant Bundestag commission, the European Parliament, and the North Atlantic Assembly, the Press Center of the Council of Ministers reports.

SDS, DPS, People's Union Sign Agreement

AU1606090795 Sofia Khorizont Radio Network in Bulgarian 0800 GMT 16 Jun 95

[FBIS Translated Text] One hour ago the leaders of the Union of Democratic Forces [SDS], the People's Union—the Democratic Party and the Bulgarian National Agrarian Union—and the Rights and Freedoms Movement [DPS] signed a joint communique which points out that the 9 June cooperation memorandum of the three opposition parliamentary forces has been adopted by those parties' national leaderships.

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Kovac Explains Split With Prime Minister Meciar

MS1506122695 London THE EUROPEAN in English 16-22 Jun 95 p 8

[Report on interview with President Michal Kovac by Jeff Lovitt; place and date of interview not given]

[Transcribed Text] He may be under siege from his own prime minister (Vladimir Meciar), but Michal Kovac insists there is no constitutional crisis in the Slovak Republic. Yet, to outsiders, he is seen as rapidly becoming a prisoner in his own shrinking constitutional armoury with diminishing defences against the government of Vladimir Meciar, whose parliamentary coalition is hell-bent on toppling him.

In his official rooms in Bratislava's Primate's Palace Kovac was in good humour. His powers are being eroded, his budget has been halved, and Meciar has seized control of the intelligence service, but the president's popularity is higher than ever and he has no intention of resigning.

He resists the temptation to reply in kind to Meciar's overtly personal attacks. There is, however, no mistaking Kovac's disquiet at what he sees as the prime minister's abuse of power.

"If it is only the attacks on my personal integrity that grow stronger, I am ready to forgive and forget. The requirement by Meciar that the president be removed has caused tensions in Slovak society," says Kovac.

"Certain trends in our society threaten democracy. In particular, the wider public has restricted opportunity to get objective information about the activities of the government because the government coalition has taken under its control Slovak television and Slovak radio." Kovac wants television brought under an independent body, including opposition representation.

The power struggle between the president and the prime minister became overt when a government-led vote of no confidence in the president was supported by 80 out of 150 MPs on 5 May. This fell short of the three-fifths majority required to remove Kovac, but Meciar continues to insist that the president must go.

When the Slovak Republic gained independence on 31 December 1992, Kovac and Meciar were allies, but Kovac stresses that the parting of their ways has been in no way a "personal" dispute. "It is just a dispute between two ways of understanding the notion of democracy," he says mildly.

Before the fall of Meciar's previous administration last spring, Kovac made a speech criticising the slow pace of privatisation and the appointment of cronies to key public bodies.

Meciar was so incensed that after his success in last September's election, he set up a committee comprising only his emerging coalition allies to investigate Kovac's role in the defeat of that administration.

But the methods deployed by the governing coalition could jeopardise Slovakia's prospects of early entry into the European Union. Meciar was already distrusted by Western governments, in particular after he put the anti-NATO Slovak National Party (SNS) in charge of the Ministry of Defence. After the vote of no confidence in Kovac, more than 10,000 people attended rallies in Bratislava, Kosice, and Presov to voice their support for him, yet Slovak TV declined to cover the events.

Kovac is now concerned that "in the same way that the parliamentary majority passed a vote of no confidence in the president without listening to what I have to say, I fear that they would be able to vote through allegations that I was working against the constitution and democracy."

Such a charge, if ratified by the constitutional court, could lead to the removal of the president. Another option open to Meciar and his allies would be a referendum on the constitutional role of the presidency, perhaps calling for a stronger executive presidency, previously favoured by Meciar.

If a referendum were to approve such a proposal, Kovac agrees that direct elections for a president should then take place, and "if I could not be sure that the candidates would be guarantors of democratic development, I would be persuaded to take part in the elections." And Meciar? "I have no confidence in him to guarantee democracy."

Meciar has now ordered police to investigate irregularities in the election last year of candidates of the then Prime Minister Jozef Moravcik's Democratic Union Party.

Some believe that echoes of McCarthyism are coming from Meciar's nationalist supporters, and Kovac is concerned that "Meciar is trying to concentrate more and more power in his own hands, and we haven't built up sufficient mechanisms to prevent such abuse of power." The concept of "a loyal opposition" looks further and further away, but the battle goes on.

Foreign Minister's Visit to Slovenia Assessed

LD1506165095 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1000 GMT 15 Jun 95

[FBIS Translated Excerpt] Slovak Foreign Minister Juraj Schenk returned from his two-day official visit to Slovenia on 14 June. He held talks with his Slovenian

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counterpart Zoran Thaler and was received by President Milan Kucan. Juraj Schenk gave a news conference late this morning on 15 June to assess his visit and the results of the talks he held there. Peter Stano is on the line from the Foreign Ministry:

[Stano] The Slovak foreign minister said that his visit, which was initiated by Slovene President Milan Kucan, had brought important results as it meant not only progress in the quality of mutual relations, but it also confirmed common interests of both Slovakia and Slovenia concerning the two states' fundamental political priorities, above all in the sphere of the integration into the European Union. In this context, during talks with his counterpart Zoran Thaler, Juraj Schenk emphasized the role played by small nations in Europe, which is undergoing integration. While undergoing economic integration, small nations should preserve their position and identity, said the Slovak foreign minister.

Juraj Schenk briefed Slovene officials about Slovakia's decision to submit an EU membership application at the EU summit in Cannes [26-27 June].

Answering a Slovak radio question about a possible coordination of steps with Slovenia as regards the joining of the European Union, Juraj Schenk said that we had similar starting conditions as well as aims, but mutual cooperation concentrated on the period prior to joining the European structures. He gave an example of Slovakia's support for Slovenia's membership in regional organizations, such as the Central European Free Trade Association. In this context, he added:

[Begin Schenk recording] The gradual integration of individual countries into such organizations as the European Union must not create any division lines, for instance in Central Europe. [passage omitted] [end recording]

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Horn, Iliescu Discuss Education Law, Treaty

LD1506192895 Budapest Kossuth Radio Network in Hungarian 1400 GMT 15 Jun 95

[FBIS Translated Text] Briefings on government sessions will be held without a government spokesman in future, State Secretary Elemer Kiss said at a briefing that started a short while before this program, Judit Laszlo reports.

[Laszlo] Prime Minister Gyula Horn had a 30-minute telephone conversation with Romanian President Ion Iliescu, objecting to the law [on education] passed by the [Romanian] Senate, State Secretary Elemer Kiss said. It was also discussed by the politicians, that following talks on the Hungarian-Romanian basic treaty—which is scheduled to be held by experts on 19 and 20 June—Hungarian Foreign Minister Laszlo Kovacs would travel to Bucharest, if necessary.

The government has approved a bill which is hoped to complete, once and for all, compensation for past political grievances. The bill includes that, following a parliamentary approval, compensation vouchers can be exchanged for life annuity by 31 December.

Opposition's Ferenc Madl Holds Campaign Rally

LD1506213595 Budapest MTV Television Network in Hungarian 1730 GMT 15 Jun 95

[FBIS Translated Excerpt] Since the deadline expired today, now it is certain that the two presidential candidates are Arpad Goncz, the current president, and Ferenc Madl. Parliament will elect the president next week.

Academician Ferenc Madl, who has been nominated by three opposition parties is holding his campaign opening rally in Erkel Theatre while we are on air. Our correspondent's live telephone dispatch from the scene follows.

[Correspondent] In his program speech, which has just ended, Ferenc Madl stressed that he would not have accepted candidacy at the request of only one of the opposition parties. Only a joint request by the three parties convinced him, a jurist with no party affiliation, that in the event of his election none of the party centers would try to tell him what to do and how to behave. He said that the president of the republic should be above parties and coalitions. Because its balancing role, the president of the republic should have only one affiliation: it is national affiliation. Although a president should be a sovereign personality, it is not his duty to compete with the prime minister.

Ferenc Madl, who used to be a minister in Jozsef Antall's cabinet, was speaking highly about the former prime minister's policy and referred to Antall's conflicts with the current president.

The joint candidate of MDF [Hungarian Democratic Forum], KDNP [Christian Democratic People's Party] and Fidesz-MPP [Fidesz-Hungarian Civic Party] was also speaking about what he would do differently from the outgoing president. [passage omitted]

Ferenc Madl's speech was interrupted several times by applause of agreement. He said that he did not have an enemy image and even those who were not with him were not against him.

Considering the chances of his election he said, that despite parliamentary arithmetics, he was not awaiting the election with hands up, because the president would be elected in a secret ballot—by parliamentary deputies and not by parties—and the deputies would have to take into consideration the need for national solidarity and cooperation.

Economic Expert Wants 'More Restrictions'

AU1406103595 Budapest UJ MAGYARORSZAG in Hungarian 10 Jun 95 p 7

[Interview with Andras Vertes, chairman-general director of the Economic Research Institute, by Laszlo Doczy; place and date not given: "Every Restriction Should Be Rational"]

[FBIS Translated Text] [Doczy] The latest analysis of the Economic Research Institute concludes that it is impossible to improve Hungary's financial balance with further budget restrictions. However, the Finance Ministry is currently preparing further such measures. What is your opinion about this contradiction?

[Vertes] Finance Ministry officials should tell you what exactly is going on in the Finance Ministry. It is true, however, that there are professional consultations between independent researchers and experts and state administration heads, and I also participate in certain phases of these consultations. I can only say that we should continue the series of steps aimed at rectifying our economic policy, and new packages might obviously emerge as a result of this. However, I do not envisage the rational emergence of a new package aimed at improving the budget balance this year. Of course, it is possible to withdraw some funds from institutions and areas that can still function somehow, but this would not bring considerable amounts of money into the budget.

We think that serious measures are also needed for improving the foreign balance and cooling down the inflation that has accelerated considerably, as well as for improving the state administration balance. I regard

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all these as stabilization measures. The other big group of pending measures must serve restructuring, modernization, and competitiveness. Measures encouraging exports and investments, measures that will lastingly improve our export competitiveness, as well as the state administration reform. This reform, among other things, includes the creation of a state treasury, the real reorganization of our welfare system, including the pension and health-care system. I would like to note here that, the way we see it, it would have been simpler and more efficient to adjust the family allowance into the overall taxation. Thus, people with higher incomes would receive less allowances, but the system would not exclude anyone categorically. Our Research Institute proposed this two years ago, but none of the governments has yet carried this out.

[Doczy] Some phases of economic restructuring might also include elements working in the direction of improving the balance....

[Vertes] The domestic professional public calls me a "believer in restrictions" and I also accept this because, given Hungary's current export performance and its current $4 billion deficit in the balance of payments, the increase in overall domestic consumption is simply unacceptable. However, every restriction should be rational, that is, it must aim at something that it can hit and something that also brings some joy. Generally, it is an important point that, among the strata affected by these measures, there should be groups that support the given measures. If, however, the restructuring measures are taken in a way that every social strata confronts them, the society will not accept this program. Therefore, it is important, for example, to make sure that the funds coming from tuition fees actually remain at the institutions of higher education and, thus, these institutions become interested in collecting these funds to use them for development and other purposes.

[Doczy] The Research Institute counts on a 8 to 9 percent drop in real wages this year. In your view, when will this turn into an increase?

[Vertes] This drop in real wages is accompanied by a 4 to 5 percent drop in real incomes. According to our calculations, the GDP will stagnate this year; next year it might increase between 0 to percent; in 1997, the rate of increase will be between 2 to 3 percent; after that, except for the annual fluctuations, an annual average increase of 4 to 5 percent is also possible until the year 2005, if we carry out what can no longer be delayed. After the 4 to 5 percent drop in real income this year, we can count on a drop between 0 to 2 percent in 1996, and 1997 could be the turning year with a possible increase between 0 to 1 percent. Later, we can expect an annual increase in real income of 3 percent.

[Doczy] The Bokros package will increase the inflation considerably and, as a result, the interest burden of Hungary's budget will reach 500 billion forints [HUF] this year. In April, when the effects of the Bokros package were not yet felt, the budget deficit accounted without the interests was practically zero; in other words, the budget deficit is big because of the high interest burdens, and not because of overspending. Why then amputate the welfare system, from which the country "gets" only HUF20 billion? Would it be more efficient to fight against inflation?

[Vertes] No, because Hungary's huge foreign trade deficit is the biggest problem, and this must be tackled first. It is a fact, however, that there was some economic growth in 1994, one coupled with a relatively stable 20-percent inflation, but only because both governments delayed the necessary steps. In the meantime, the deficit in our balance of payments stood at $4 billion. There were two ways of fighting this: either by considerably reducing the domestic real income, in a way that incomes would increase at a smaller rate than the inflation, or by carrying out a large-scale devaluation. Actually, no one accepted the drop in income, so devaluation remained the only other way, something that reduces the value of those incomes. Besides, the Economic Research Institute has been urging this devaluation for a long time. As for the acceleration in the rate of inflation, months before, the interests showed the expectations for the economic measures taken in March, and this increased the interest burdens before the economic package. I stress that we should not concentrate on how to reduce expenses; instead, we should concentrate on starting the reorganization of the system, to have systems emerge in the state administration that will not require constant reductions in 5 to 10 years; we should also concentrate on achieving a balance between the outgoing and incoming funds and on making sure that the systems, including the social security, are cheaper, function more efficiently and are self-supporting.

[Doczy] What steps should be taken in order to curb inflation?

[Vertes] It is impossible to unilaterally reduce the interest rate, as in 1992 and 1993 because, in that case, savings will decrease. It would be an element of rational anti-inflationary policy if the announced rate of devaluation is treated as a maximum value and perhaps the monthly 1.3 percent estimated for the second half of the year can already be reduced by a few tenths of a percent by the end of the year. Next year's devaluation

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policy should also be worked out with the same logic. Curbing demand is the other important element. In its framework, an agreement should be reached on the smallest possible outflow of wages and demand [ber es keresletkiaramlas]. The partners, the employees must be made to understand that real wages will decrease by 8 to 9 percent this year (as opposed to the 7-percent increase in 1994) and, according to macroeconomic balance calculations, the real wages must decrease by about 3 to 5 percent next year. In other words, the employees' real income should decrease by all means, and then it makes no difference at what nominal level this is carried out: 20-percent inflation and 15-percent wage increase, or 25-percent inflation and 20-percent wage increase, or other figures. Therefore, indirectly, it is also in the interest of the employees to have this drop in income at the lowest nominal level; in other words, it is also their interest to accept the lowest possible increase in the outflow of nominal wages. There is not much risk involved here for the employees because, if wages and salaries increase very little, the inflation cannot be much higher either because, the drop in purchasing power will not make it possible to increase prices, so they will not experience an unexpected loss.

[Doczy] What can be done in order to increase income from privatization?

[Vertes] The most important thing is to finally start the privatization process; it is also important to develop adequate legal conditions for the sales of large-scale public enterprises. In this framework, the increase in the tariff of energy supplies should be regulated in the coming years, so that the investor can calculate correctly. Given the fact that this is a strategic sector, there are also national interests involved here, interests that must be represented by every government, first of all the obligation to supply energy. Therefore, the regulation process should also be accelerated. However, the main task here is to enable to finance the modernization deficit of about $2 to 3 billion in the course of about three years from the privatization of public enterprises and banks, rather than to red · the budget deficit. Some $3 billion can flow in from ,ublic utility enterprises in the course of three years, that is $1 billion a year. Added to this is the $1 to 1.5 billion that arrives to Hungary every year, and this together makes $2 to 2.5 billion, and this is the sum with which the current deficit in the balance of payments should be reduced.

[Doczy] The catastrophe-rhetoric can hardly be favorable for this....

[Vertes] I regard the 1993-94 success propaganda of the previous government as a serious mistake. Of course, compared to this, the self-reproaching hesitation of the ensuing government elicited great international consternation. The foreign partners do not even "swallow" this. Laszlo Bekesi was in an extremely difficult position, because he also had to convince his own party that one needs "bloodshed" here; in addition, he also had to stand against the previous government's success propaganda. Perhaps he did not always find the proper formulation for this, but it was Bekesi, nevertheless, who presented the real situation. During my visit to Japan, my hosts kept telling me that, according to their own calculations, we should do something; otherwise, there will be a big problem.

Border Guard: Serb Mines Placed Close to Border

LD1506211495 Budapest Duna TV in Hungarian 1900 GMT 15 Jun 95

[FBIS Translated Text] The Serbs have been continuously replacing the exploded mines along the Baranja border region. The Hungarian Border Guard has a delicate task: Firmness must be shown without provoking the Serb forces that occupy the Croatian territories.

[Correspondent] We are driving along the barricaded border crossing point south of Beremend [near border with Vojvodina]. The border has been marked by weed and fear. The Serbs are encouraging one another with mine fields.

[Begin Tibor Balazs recording, Border Guard officer] Mines are very dangerous here at this dry border stretch, because the mines on the other side have been placed so close to the border line, mines can even be found at a distance of just 5-10 centimeters, and should they explode they will also endanger civilian or military persons on Hungarian territory. [video shows sign: state border-danger of explosion]

Those who get lost face another danger, captivity. The Border Guard does not expect any military incidents in the near future, but it is prepared to avert any attacks by smaller groups.

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Government Explains Reason for Military Operation

AU1506191495 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 15 Jun 95

[Statement from the Office of the President of the Bosnia-Herzegovina Presidency, issued in Sarajevo on 15 June]

[FBIS Translated Text] Dear listeners, we have just received a statement released by the president of the Bosnia-Herzegovina Presidency's office regarding the escalation of combat activity in the Sarajevo region.

It will soon be a year now that Karadzic's Serbs have been rejecting the Contact Group peace plan endorsed by the entire international community, including even Milosevic's Serbia. In this way, they have been prolonging the war and the suffering of the people for a year with the goal of imposing a solution that suits only them. This solution is based on force, genocide, ethnic cleansing, and the ignoring of the norms of international law. To achieve this, the Pale Serbs have finally decided to strangle Sarajevo, which they have been holding under siege for over three years; they have continued to kill civilians, thus ignoring and violating the international community's decision on the exclusion zone around the city. They have also seized heavy weapons, tanks, artillery, and other weapons which—based on this decision—they had earlier handed over to the UN Protection Force; they took the troops guarding the arms prisoner and seized part of their weaponry.

On 9 April 1995, they closed Sarajevo airport through which humanitarian aid was reaching the city, after which they closed all the land routes leading into the city. On 26 May 1995, they turned off the already limited amounts of water, electricity, and natural gas reaching the city. There was nothing left in the city; no electricity, water, natural gas, food, or medicine. All the initiatives launched by representatives of international organizations, the UN High Commissioner for Refugees, the Red Cross, and others, with the goal of lifting or at least alleviating the humanitarian blockade of the city were crudely rejected in Pale.

At the same time, they continued to mass troops and arms around the city, while the world did nothing to prevent the obvious catastrophe. In view of this situation, our army was ordered to take measures with the goal of preventing the further strangulation of the city. The measures have a preventative character and are progressing according to plan.

Ganic Sees No Benefit in Rapid Reaction Force

LD1506203295 Zagreb HTV Television in Serbo-Croatian 1730 GMT 15 Jun 95

[FBIS Translated Text] [Correspondent] Dramatic reports are coming in from Sarajevo and its vicinity that speak of an extremely tense situation. All exits from the city have been blocked. Every attempt to move through the city is almost fatal. The speculation by world experts and media is that this action is aimed at breaking the siege of Sarajevo. What is happening? This is the question that we are asking our guest this evening, Mr. Ejup Ganic [Bosnia- Herzegovina Presidency member], who is in his office in Sarajevo. Good evening.

[Ganic] Good evening. As you know, after they had captured UNPROFOR [UN Protection Force] soldiers, the chetniks seized heavy weapons from UN-controlled depots: Several hundred tanks, howitzers, and other artillery pieces. They are now trying to deploy those weapons in new locations around Sarajevo with a view to strengthening their hold on the city and launching further actions against Sarajevo. We have taken countermeasures in an attempt to balance out the situation that has arisen simply because the chetniks now have huge quantities of new weapons. We have moved our troops to create some sort of balance, as much as possible. At the same time, we are trying to prevent the chetniks from cutting off the last road into Sarajevo, the Mt. Igman road.

[Correspondent] How do you assess the proposal by UN Secretary General Butrus-Ghali to set up a Rapid Reaction Force?

[Ganic] This proposal has been much commented on. At this particular moment we cannot see any benefit in these forces. It is unclear what they are going to do. They should help UNPROFOR to do its job, to distribute humanitarian aid, to move between Sarajevo and Srebrenica, Sarajevo and Gorazde.

However, at this moment the UNPROFOR people are skeptical about such a possibility, i.e. that these forces are not going to keep the roads clear for UNPROFOR convoys to pass. Everything is very unclear. My impression is that these forces are just going to protect UNPROFOR regardless of whether UNPROFOR is functioning or not. On the other hand, we are attentively monitoring what they are intending to do with these forces. We could not tolerate their presence if they were to freeze the situation on the ground or if they prevented our army's actions. In this we will be very consistent.

[Correspondent] Finally, what is your assessment of the current U.S. policy vis-a-vis the crisis in the region, and

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is the idea of the convening of a new conference on the former Yugoslavia acceptable to Bosnia-Herzegovina?

[Ganic] We will not accept any new conference. The international community prepared a plan. This was the Contact Group plan. We accepted this plan. Five big powers supported it and let the gentlemen implement this plan of theirs.

Regarding U.S. policy, we are working with the Congress and you know that the Congress is the main legislative authority in the United States, and now both the Democrats and Republicans are in favor of the lifting of the embargo; the U.S. public is for the lifting of the embargo, and we, as a member of the United Nations, in line with Article 51, will try to continue to go down this path and get the embargo lifted. However, we will not sit around with our arms folded while the embargo is in place.

We will strengthen our army. However, two key directions for our foreign and internal policy remain. The main direction for our foreign policy is strengthening our relations with the Republic of Croatia—this is our strategic goal and it overshadows our short-term objectives; this is a strategic goal—strengthening our relations with the Republic of Croatia in all aspects.

The main goal of our internal policy is strengthening cooperation between the Bosniak and Croat nations, building the federation and strengthening ties between our army and the Croatian Defense Council, particularly on the front lines.

[Correspondent] Mr. Ganic, thank you very much for the interview.

Predicts UNPROFOR Collapse

AU1606095995 Munich SUEDDEUTSCHE ZEITUNG in German 16 Jun 95 p 10

[Interview with Bosnian Vice President Ejup Ganic by Peter Sartorius; place and date not given: "We Must Fight To Free Our Country"]

[FBIS Translated Text] [Sartorius] The NATO attack on the Serb ammunition depot near Pale has lead to a dramatic development in the Bosnian war. How do you see the current political situation after the Serbs have taken UN soldiers hostage?

[Ganic] Actually, we do not have any situation at all. We have complete chaos at the moment. Everything is chaotic and has gotten completely out of control. Just look at the case of the UN Rapid Reaction Force. It is to be stationed in Bosnia, but the conditions for its operations remain unclear. Let me put it this way: The international community is in the process of approaching the matter with due caution.

[Sartorius] Sarajevo is increasingly suffering from the siege. Speculations are mounting about how the only road into the city, the forestry path across Mount Igman, can be protected. In the meantime, even food from the UNHCR gets into the city only with great difficulty through the forest. Could the next step be that the path is militarily guarded by the United Nations, perhaps by the French?

[Ganic] I do not believe that. The UNPROFOR [UN Protection Force] cannot protect the track with its means. Militarily, we Bosnians have control of the path, but, it is clear, that one can always fire grenades on this track from a distance. No, I do not believe that the United Nations will protect the Igman route.

[Sartorius] Do you actually still expect the UNPROFOR to provide any effective help to Bosnia?

[Ganic] We have many problems, and UNPROFOR itself has become an additional problem. Here in Sarajevo we have nothing to eat, no electricity, no gas—we are in a disastrous situation. Even now the UNPROFOR has no food or fuel, either. Thus, we have an additional patient. From this point of view, the situation is really ridiculous. The UNPROFOR should be able to distribute food and to provide humanitarian aid. If it cannot enforce this anymore, the collapse will come all by itself. The UNPROFOR will collapse completely. At the moment the UNPROFOR's efficiency is only 5 to 10 percent.

[Sartorius] If UNPROFOR collapses, you are on your own in Bosnia. How do you explain the attitude of the United States, which advocated the lifting of the arms embargo against Bosnia last autumn but now does not want to know anything of that anymore?

[Ganic] In the United States we have support from Congress and from the people, but we do not have the support of the Administration. The Administration is in favor of lifting the embargo, but not in a solo action. The Americans must react in some way if UNPROFOR collapses, because the UN presence in Bosnia has always been the justification for them not to lift the arms embargo. If UNPROFOR collapses, this will probably become a topic for the U.S. election campaign.

[Sartorius] These days President Izetbegovic was asked how he would decide if he had the choice between an end to the embargo and a more determined action by the United Nations. He said he would choose the end of the embargo. What makes the Bosnian Government confident that it is able to wage war against the Bosnian Serbs on its own and win?

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[Ganic] We have a clear goal. We must fight to free our country, and we are not sure that the UNPROFOR could ever work properly. Rather, we fear that it will stay here forever. This has always been the UN policy: Send soldiers and do nothing. Here in Bosnia the United Nations says that it is working on the basis of a unilateral agreement. Thus we have the United Nations, which cooperates with the aggressor just as with us and, in a certain way, it helps Karadzic to believe that he will get what he wants. On the other hand, with only a small amount of weapons we would be able to bring about a turnaround, even though we would certainly have to get through a difficult time at the beginning. Karadzic would perhaps conquer the enclaves. However, we have a historical responsibility to defend our country. If one puts everything together, it is true that we will make progress in the war as soon as we have weapons.

[Sartorius] From the area northwest of Sarajevo there comes the report that the Bosnian troops are concentrating military forces there and Sarajevo is full of rumors that your Government will start an offensive to free the city from the Serb siege. Could this be done already in the next few days?

[Ganic] We have always had this in the back of our minds. We will try to free the city as soon as we have gathered the necessary weapons. And as soon as we have no hope anymore in Sarajevo to get water, electricity, and humanitarian aid. This is all I can say about this matter.

[Sartorius] Radovan Karadzic would probably react to an offensive by Bosnian Government troops with increased terror. Is the civilian population prepared to suffer even more?

[Ganic] As soon as we can convince the people that we make progress, they will be ready for that. Of course, we would want a political settlement to the conflict. However, Karadzic has rejected all political proposals, including the peace plan of the international Contact Group. We would be naive if we assumed that he would accept the plan one day.

[Sartorius] You mentioned the peace plan. Let us assume that the Bosnian Government were militarily successful in the future and could force Karadzic to make concessions—would you then still agree to a plan that leads to the division of the country?

[Ganic] We will not accept any plan that would divide the country. In this case the war would never stop. We believe that Bosnia must be preserved as a unified country, and we will do everything to achieve this. The people have been driven out of the country. They have lost everything they had. Almost half a million of these people live in Germany, and Germany is forced to spend millions of marks on them. We must bring these people back to Bosnia. They must be able to regain their land. However, we must expect suggestions for political solutions, with which we will not agree and we have to expect years of resistance. But at some time or other we will be strong enough so that we cannot be forced to do what we do not want to do.

[Sartorius] You speak of "we." Are these just the Muslims? Or does this also include the Bosnian Croats?

[Ganic] There are still many problems with the Croats, but at least we are not fighting each other. With the help of the Americans and Germans we have slowly built the federation, and we will continue to work on it. We Muslims are the majority, but we are prepared to share everything with the Croats, and also with the Serbs. But we have increasingly got closer to the Croats. The coalition will become increasingly stronger.

[Sartorius] Could the federation between Muslims and Croats in Bosnia, which exists on paper, and the confederation between the Republic of Bosnia and the Republic of Croatia lead to real military cooperation in the foreseeable future?

[Ganic] This is something that lies in the logic of the matter. We are ready for that and we will wait until the Croats, too, are ready. We do not have any weapons; that is why any kind of cooperation that gives us weapons is useful.

[Sartorius] Will the Croats really do that?

[Ganic] Let me put it that way: The Croats are now more ready for it in the past, but perhaps they have not yet come so far that we can really start cooperation. However, you are touching the decisive point with your question. In our foreign policy good relations with Croatia are the most important element, and, just as much, a good relationship with the Bosnian Croats is our most important concern in our country. This is the only way to force the Serbs to sensible cooperation. Economically, we are closely linked with Croatia. It is useful in every respect to have a federation.

[Sartorius] As regards Serbia....

[Ganic] Serbia is something different. Slobodan Milosevic keeps up the old regime in Belgrade, this old communism. This is reality. The international community seems to tolerate such dictators, because it does not have to suffer from them but we do. For instance, the term terrorist was never used for Karadzic, even though he has been committing these many massacres. But when he took the UN hostages, the United Nations immediately used very clear language: terrorism. Of course, it

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is bad that a double standard is employed. One cannot struggle successfully against terrorism in this way.

[Sartorius] How do you characterize Karadzic?

[Ganic] As a war criminal. He has committed crimes for which he must be punished. I believe we should not negotiate with him any longer. He is a terrorist, and one cannot make agreements with a terrorist.

[Sartorius] How do you characterize Slobodan Milosevic?

[Ganic] Look, he is the inventor of this war. He tackled the project of Greater Serbia. He is a Frankenstein. He created....

[Sartorius] ...a monster?

[Ganic] Yes.

[Sartorius] And the monster is Karadzic?

[Ganic] Yes. As regards Milosevic, I can only say that he is humiliating the international community. With the one hand he takes hostages, with the other he frees them. He is really humiliating the international community. But this is something for other people to ponder.

[Sartorius] A few days ago Bosnian Foreign Minister Ifar Ljubjankic was killed when his helicopter was shot down. Is Bosnia in danger of losing its political energy because the military enemy is starting a head hunt for Bosnian politicians?

[Ganic] We all have become targets. We have lost a deputy prime minister, the foreign minister, and the deputy justice minister. The Serbs are trying to kill our leaders. We have also lost many local politicians. But I believe that we still have good people. It turns out that simple people are suddenly good politicians if they get the opportunity to show their skills. No one is irreplaceable.

[Sartorius] And, in conclusion, how would you assess the ability of the United Nations to pursue policy in Bosnia?

[Ganic] If you look at the United Nations, you see that common peace missions by the international community are almost useless and that this fact will cause many conflicts in the smaller countries. The entire situation becomes unstable because the United Nations is not a serious organization. It is bureaucratic and egotistical. Yes, the United Nations is an organization that shows typically socialist characteristics: clumsy, corrupt, inefficient, expensive. There will be many wars and much suffering.

UN Requested To Define Rapid Reaction Force

LD1506213795 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 15 Jun 95

[FBIS Translated Text] Minister Hasan Muratovic, chairman of the State Committee for Cooperation with the United Nations, today met General Bernard Janvier, UN commander for former Yugoslavia. The meeting was also attended by Kasim Trnka, Bosnia-Herzegovina's ambassador to the Republic of Croatia.

In the course of their talks, Minister Muratovic requested that the status of the Rapid Reaction Force be clearly defined, either through a separate agreement between the United Nations and the government of the Republic of Bosnia-Herzegovina, or through an annex to the current agreement.

With a view to improving humanitarian situation in the republic, Minister Muratovic put forward the proposal that sowing seed should be dispatched to encircled enclaves in Bosnia-Herzegovina in the same way as was done in Bihac.

Army Reviews Plan in Case of UN Mandate Change

AU1506194295 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 15 Jun 95

[FBIS Translated Text] As part of his regular activities in the General Staff of the Bosnia-Herzegovina Army, Army Commander General Rasim Delic and close associates in Sarajevo today reviewed the current situation on Bosnia-Herzegovina fronts.

They particularly reviewed the system of control and security of traffic communications, and the security of locations for stationing and the normal execution of further activities in conditions created by possible changes in the UN forces' mandate. It was decided that the relevant services and bodies of the Bosnia-Herzegovina Army would devote their full attention to cooperation with the relevant UN bodies and create the conditions that they require at the moment. The Bosnia-Herzegovina Army Press Center has reported that further contact is expected with UN representatives regarding these issues.

Bosnian Serb Assembly Proceedings Viewed

Scandals, Corruption Debated

LD1506173895 Belgrade SRNA in Serbo-Croatian 1313 GMT 15 Jun 95

[FBIS Translated Text] Sarajevo, 15 Jun (SRNA)—The People's Assembly of the [Bosnian] Serb Republic today approved a report on the scandals "Oil 1" and "Oil 2" (the import of oil from Bulgaria and Romania),

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"Aluminium," "Golf Vehicles" and the disappearance of funds from the primary money issue, and ordered the law enforcement and judicial authorities to take urgent measures to recover any damage caused to the Serb Republic and punish those responsible in accordance with the law.

All authorized persons in the judicial organs, the law enforcement organs, and the fraud police are obliged to carry out proceedings to the end and must publicly present to the Assembly of the Serb Republic their findings on the possible pressures and influences in connection with the protection of those responsible.

After a debate on the "Golf Vehicles" scandal, the deputies stated that at the beginning of the war in no-man's-land a large number of Golf cars were seized and put into storage. The competent organs are obliged to continue proceedings and bring individual charges against all those responsible for this scandal.

It was concluded that none of the officials from the state leadership took part either in this or in any of the other scandals mentioned.

The deputies supported the continuation of the investigation and ordered that proceedings should be launched immediately if it is established that anyone is to blame, especially anyone from the state authorities.

The Assembly of the Serb Republic obliged the fraud police, the National Bank and the Ministry of Finance to compile a report on non-specific expenditure from the primary money issue and inform the assembly about this. According to reports received so far, this relates to a sum of 3 million German marks.

Most of those taking part in the debate on the "Oil 1" and "Oil 2" scandals, insisted that the criminal proceedings be brought to an end as soon as possible and that the Serb Republic be reimbursed as soon as possible for damages, which in any event were not negligible.

Branko Ostojic is responsible for the "Oil 2" scandal. As deputy prime minister at the time, he was entrusted with 5 million German marks for oil imports, and he is also being held responsible for $1,733,762 dollars from the sale of aluminium, which has not yet reached any account in the republic.

With two votes against and two abstentions, the deputies approved the report on the work of the government in the past year which was submitted last night by Prime Minister Dusan Kozic.

Kozic was ordered to continue the reconstruction of the government which has begun and find appropriate and quality-based solutions for each ministry, which relates above all to the appointment of a minister of internal affairs, a post which has remained vacant with the retirement of Zivko Rakic.

Law on Unification Adopted

LD1506152795 Belgrade SRNA in Serbo-Croatian 1517 GMT 15 Jun 95

[FBIS Translated Excerpt] Sarajevo, 15 Jun (SRNA)—At its session on Mt. Jahorina today the People's Assembly of the [Bosnian] Serb Republic today unanimously adopted a decision and the constitutional law on the unification of the Serb Republic and the Republic of Serb Krajina.

"It is necessary to implement the unification process as soon as possible. The task of the joint commission of the Serb Republic and the Republic of Serb Krajina is to prepare all the laws in order to set up the future state as soon as possible," Assembly Speaker Momcilo Krajisnik stated following the voting. [passage omitted]

The assembly has continued its work by discussing the military and political situation in the Serb Republic behind closed doors.

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Budisa's Emotional Resignation Not Final

AU1606084195 Split SLOBODNA DALMACIJA in Serbo-Croatian 10 Jun 95 pp 4-5

[Article by Slavica Lukic, Davor Ivankovic, and Davor Krile: "Rados Instead of Budisa?"]

[FBIS Translated Text] Drazen Budisa, hitherto indisputable leader of the Croatian Social Liberal Party [HSLS] and the most influential leader of the Croatian opposition, decided during the session of the Small Council of HSLS, late on Tuesday [6 June] evening, to resign from the post of the president of the Small Council (executive organ of the party) and from the post of the president of Croatia's liberals.

The news came rather unexpectedly for the Croatian public, but not so much for political analysts, because the possibility had been speculated upon for quite a long time. Still, everybody is surprised, since Budisa was expected to make this move in the fall, at the planned third assembly of the HSLS (October 1995).

At present, regardless of whether Budisa denies the news on his resignation (since he is now being persuaded to take back his resignation, until October at least)—it is certain that at the night session of the Small Council of the HSLS he did offer his resignation.

"Pharisees"

The storm in the HSLS arose during the last session of the Small Council of the HSLS, at which the assembled members from the leadership of the party (10-15 members) started debating some fundamental and burning problems within the party, like the unsatisfactory organization of the party; personal animosities within the party leadership, which the media present like faction conflicts and differences; the—for some of them—irritating talks between Budisa and Nijaz Durakovic [leader of the Social Democratic Party of Bosnia-Herzegovina]; the results of and reasons for the defeat on the recent elections in Ivankovo near Osijek; the events in Varazdin, where, allegedly, the "Zagreb recipe" is being prepared again—like that time when two HSLS delegates in the Town Assembly changed sides and went into the HDZ; and so on.

From the statements given to the SLOBODNA DALMACIJA by one of the HSLS leaders, who wanted to remain anonymous, one might discern that at the session there was an open discussion on the organization and work of the party, on how some of the leaders persistently refuse the division of work and think that they can masterfully take care of nearly everything. According to our source, some made the criticism that pharisees were concentrating around Budisa, and that a faint aura of inscrutability was being created around the president. There was some talk about the disharmony of attitudes on the issue of abortion, in which the dispute centered not on the issue itself, but whether a member of the HSLS leadership should put his signature on a petition organized by another party.

A Forced Decision

It seems that President Budisa lost his nerve at that moment, and informed the assembled people that if they were patient for a couple of minutes he would tell them something very important. After that, Budisa said that he was resigning from the leading position in the HSLS, and then left the assembled people to their amazement and, if our source's information is true, abandoned the session.

The session was very long, exhausting and tense, and these were probably the reasons for Drazen Budisa's reaction. Those who were present claim that at the time they did not even take Budisa's statement and act seriously, they put it down to an emotional reaction, although, as we have discovered, the vice presidents of the party prolonged the session, trying to find ways of persuading Budisa to give up his forced intention and stay in the leading positions of the party.

However, there seem to be some deeper political calculations regarding this whole situation. Namely, as our sources claim, all this came about too early, but not accidentally. There are some assumptions that Drazen Budisa, due to exhaustion from directly leading such a strong party, and because of personal and party plans on future political ambitions, had already decided to leave the two most important political functions in the HSLS (president of the party and of the Small Council), a move which should have been made at the upcoming party assembly (in October). It is further conjectured that Budisa would thus by no means leave political life, but on the contrary, by retaining a politically less prominent position in the party (allegedly through the party's Big Council), he could invest more time and energy into the realization of his great goal—nomination for the future president of the Republic of Croatia. For there is a belief that the Croatian public and voters would prefer a person who would be less prominent in the party, and yet politically strong.

New Vice Presidents

In accordance with these political calculations, the new HSLS leadership would be formed at the next assembly. The candidate for the leading position (that is, the present post of Budisa) would be Jozo Rados, considered by all analysts to be moderate, fractionally nonaligned, and politically close to Drazen Budisa.

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Candidates for the four posts of vice presidents of the party would be Zlatko Kramaric, Ivan Herak, Damir Zoric, and Velimir Terzic.

These turbulent events on the Croatian political scene lead to the conclusion that the preelection competition is speeding up, leading to new developments both within the parties and among them. It will be particularly interesting to see the reactions of the ruling party, as well as those of the potential coalition partners of the HSLS.

[Box, p 5]

Goranko Fizulic, Member of the Small Council of the HSLS:

"Sessions of the Small Council are closed to the public and I am not the person entitled to give any statements. In our party, that person is Jozo Rados. But I can tell you that, regardless of all the questions that were opened at the session, Drazen Budisa will still be the president of the party."

[Box, p 5]

I Am Still the President!

"I am still the president of the HSLS, and, as you see, I am working as usual. The day after tomorrow I will be leaving for a tour through Slavonia, then through Istria, and then Zagorje. Later we will be forming several branches in Lika and Dalmatia, and I can only tell you that the HSLS is functioning normally," Drazen Budisa, the president of the HSLS, stated for the SLOBODNA DALMACIJA on Thursday [8 June].

We found Mr. Drazen Budisa in the party premises in Galoviceva Street number 8, in the company of Jozo Rados, Bozo Kovacevic, Mladen Vilfan, and Franjo Zenko. Saying that he had no intention of giving a special statement for the public concerning his resignation, Budisa told us that some of the topics published in the VECERNJI LIST had not been discussed at all at the session of the Small Council. "Some of the mentioned topics were indeed discussed, but not in the way presented there," Budisa added.

"Apart from having been stung by a wasp over my left eye recently, nothing special has happened," the HSLS president said at the end, asking not to be photographed without his eyeglasses. Bozo Kovacevic tried to give a humorous undertone to the whole situation, saying that Budisa's swollen eye might suggest to our readers that the HSLS people had even been brawling with one another.

Article Assesses Outlook for Privatization

95BA0263A Copenhagen BERLINGSKE WEEKENDAVISEN in Danish 2-8 Jun 95 p 7

[Article by Jan Bo Hansen: "Privatization, Balkan Style"]

[FBIS Translated Text] *The Croatian economy is slowly waking up. But the government does not dare privatize in earnest. The workers, who like things the way they are, have acquired different parties from which to choose.*

While the Serbian economy is gradually coming to a complete standstill the Croatian economy is slowly beginning to wake up from its torpor. Of course every curve flattens out if one waits long enough, but there is no denying that the Croatian curve took a long time to do so. Gross national product has declined by a third since 1990, and industrial production has been cut in half. It was not until October 1993 that the government and the central bank were able to come up with a joint reorganization plan, and the first results were seen in the fall of 1994. In September they were rewarded by the outside world: the EBRD, the European Bank for Reconstruction and Development, granted Croatia its first, albeit modest, loan: $22 million. And in March of this year an understanding was reached with the Western governments in the Paris Club concerning easy loan repayments.

The war with Serbia in 1991 hit Croatia hard: 30 percent of the country is still occupied, communications have been disrupted, and Knin in particular, the capital of the Krajina Serbs, is a problem for the rest of the country because railroad traffic to the coast, including traffic to Split, is now controlled by the Serbian rebels. A large part of the industrial sector was destroyed, and the total damages are estimated at $22 billion. The war created hundreds of thousands of refugees from the ethnically "cleansed" areas, refugees the Croatian Government is now keeping alive. Around half a million people are involved, and this item is the second largest in the state budget. The largest, not surprisingly, is the armed forces.

The Croatian Government has not received support from abroad for this task, which is almost insurmountable for a population of 4.8 million people. The average Croat regards foreign reluctance as a form of hidden economic sanction, and this has not contributed to the popularity of the West.

The segment of the population that has not been driven out has also paid dearly: In April 1991 the government took the step of freezing a total of $3 billion in domestic bank accounts, the result of the sacrifices of hardworking Croats who served as foreign workers in

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West Europe. And as things stand, this money is their only guarantee of a pension. If the government was not unpopular before, then this would have been quite enough. But in addition there is a carefully devised system of indirect taxes aimed at financing the arms buildup.

Nevertheless, real wages are moving up, though from a level no one could survive on. Today the average monthly income is 1,200 Danish kroner—for those who are employed, of course. Some 18 percent are unemployed. As in Serbia, Bosnia, and Macedonia [The Former Yugoslav Republic of Macedonia], people survive because the family still represents a fine-meshed network and because all families have members who live outside the country.

Deflation

Inflation climbed to 1,500 percent in 1993, but after a tight fiscal policy was implemented in October 1993 Croatia was able to display an unusual phenomenon, namely deflation. In the first half of 1994 prices fell. In May 1994 the government introduced the "kuna," which had the advantage of freeing the country from the chaotic "dinar zone."

This had immediate positive consequences, which the Croatian Government does not tire of emphasizing: Inflation has been reduced, although deflation did not continue. Real wages rose substantially. In 1994 Croatia could point to a GNP growth of 0.8 percent. This year it will be larger: Government spokesmen talk about 7 percent, but their expectations are seldom on the low side.

The predictions ultimately depend on relations with the Serbs. On 2 December 1994 it was possible to follow up the plan with an agreement with the local Serbs in Krajina, who opened some important roads. But only three months later the Serbs suspended the agreement in response to the Croats' announcement that they would rescind the agreement with the UN forces. And as matters stand today there is hardly a basis for new agreements. However, without the transport system that the Krajina Serbs control from Knin there is no possibility of economic growth.

Extra Income

Croatia has various sources of extra income, the most important of which comes from the UN forces. President Tudjman claimed that their economic activity helped to support the rule of the Krajina Serbs in Knin. Whatever the Croats have against UNPROFOR (UN Protection Forces)—which they insist on calling SERBPROFOR—the UN soldiers are a source of income not only for the local Serbs, but also for the Croatian Government, which receives around $250 million a year. UN Secretary General Butrus Butrus-Ghali used economic arguments when he aired the possibility of moving the headquarters of the UN forces out of Zagreb. This played a part in President Tudjman's final decision to extend their mandate.

Another important source of income to which the Croats are pinning great hopes is tourism. Before the dissolution of Yugoslavia tourist revenues added up to $3 billion a year. In 1994 Croatia earned good money from tourism again, $850 million, and the government has long factored in an annual increase of around 30 percent. There are great hopes for tourism all over East Europe, but as it turns out the visitors now are not the greatly desired West Europeans, but Hungarians and Czechs who are attracted to the country by cheap tours. The Western visitors are staying away, and big investments will be required to restore the hotels to good enough condition to bring the Western tourists back. These investments can only come from abroad, but as 85 percent of the hotels in Istria are still state-owned they have a hard time attracting the necessary investments. And as long as the state finances the deficits they may not find it all that necessary either.

Privatization

This points to Croatia's real problem, which is political and shared by a number of Balkan lands: The big state-owned industries produce a solid and predictable deficit each year, which the also state-owned banks cover with loans they cannot expect to be repaid. With these loans the firms postpone the necessary restructuring and keep their workers, who would otherwise join the ranks of the unemployed.

The government could get rid of the problem by privatizing the firms. But it does not want to because it does not want to limit its power and because the workers who are taking it easy at the Lenin Rolling Mill are clients who have not become less important now that they have more parties from which to choose. All talk of privatization will die down when election day draws near.

The private sector accounts for 30 percent of GNP. These are small firms. The big production firms from the days of socialism—including a number of very-well-manned shipyards—cannot be sold, at least not at the prices the government has in mind.

It is true that the official line is that 50 percent of state firms have been privatized. However, this is a special "privatization a la Balkans," which consists of workers getting gilt-edged papers that they can look at

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while the managers transfer the few real assets to their private companies. The fact that a number of friends of the government have been involved in well-publicized scandals in recent years has not increased privatization's popularity.

Foreign investors have long since pulled out. It is impossible to attract foreign capital for obvious reasons, and for the last three years there has been a decline in direct investments. The Croats ascribe this to the war, but even under the most peaceful conditions it will not be easy to attract others.

Only pressure from outside can make the Croatian Government change its course. But as in other parts of the Balkans, not just the former socialist countries, foreign nations are regarded with skepticism. The war in Bosnia has not raised general respect for the West. And at the same time it is clear that only the West can contribute the capital that is needed to get Croatia going. As peace is the first prerequisite, capital has a peacemaking mission in this respect—which is an excellent moral, even though the governments in the Balkan countries do not always have an eye for it.

Martic Wants Equal Treatment of Serbs, Croats

LD1506130995 Belgrade TANJUG in English 1224 GMT 15 Jun 95

["Pool" item]

[FBIS Transcribed Text] Belgrade, June 15 (TANJUG)—Serb Krajina President Milan Martic asked the newly-appointed international mediator for the former Yugoslavia Carl Bildt for an equal treatment of the Serb and Croatian sides and voiced the Krajina Serbs' readiness to cooperate towards peace and a just settlement of the Serbo-Croat conflict.

In a letter sent to Bildt on Wednesday, Martic called attention to the fact that in the work of the conference (on the former Yugoslavia) so far there had been no readiness to disclose the causes of the conflict, nor professionalism had been shown to bring to light phenomena and events following Croatia's secession from the former Yugoslavia.

In his letter, Martic stated that the international community had so far proceeded from a faulty assumption that the Serb people occupied Croatian territories and stated facts which should be taken into consideration to arrive at a just and speedy peace.

The letter said that the international community deals with Croat refugees alone although they are by far outnumbered by Serb refugees, that it conceals the proportions of state terror of the regime of Croatian President Franjo Tudjman over Serbs, and, through U.N. Security Council resolutions, supports Croatia's claims on Serb territories.

Voicing hope that Bildt will heed remarks in the hitherto approach of the international community in connection with the Serb Krajina-Croatia conflict, Martic said that 'it is the most natural thing in all disputes to treat stands of both sides on an equal footing.'

Martic Wants Karadzic To Head New Serb State

LD1506141195 Belgrade SRNA in Serbo-Croatian 1231 GMT 15 Jun 95

[FBIS Translated Text] Sarajevo, 15 Jun (SRNA)—Milan Martic, president of the Republic of Serb Krajina [RSK], confirmed that the unification of the [Bosnian] Serb Republic and the RSK did not happen earlier because it was prevented by official Belgrade.

In an interview to today's OSLOBODJENJE, Martic warned that this is the last moment for unification, regardless of the fact that the international community and official Belgrade are against it.

"The wish of the people expressed in the referendum is clear and we are now speeding up preparations for the most important acts and we are unifying certain institutions, which means that we have made progress in the factual part of the process," Martic said.

According to him, there will not be a long wait before the formal proclamation of unification, but before this the most important thing is for work to be carried out in a quality-based way and for a unitary Serb state to be created.

"I renounce any post in this unified Serb state, and it will not be difficult for me to take up my position in the trenches the following day, and I believe that the best person for president would be Dr. Radovan Karadzic," the RSK president said.

Commenting on the attempt by official Belgrade to cut off eastern Slavonia, Baranja, and Srem from the RSK, with the help of former Prime Minister Mikelic, Martic stated that this could not happen because it is contrary to what the people want.

"Mikelic obviously has the support of official Belgrade and several officials from the eastern part of the RSK, and the support of former [RSK] President Goran Hadzic, but these efforts have no support from the people," Martic specified.

The RSK president expressed his conviction that Milosevic will not recognize the former Bosnia-Herzegovina and Croatia, especially not now that the Serbs beyond the River Drina are uniting.

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"I believe this cannot happen because this would be a catastrophic mistake by Slobodan Milosevic and he could not do this," Martic concluded in his interview to the weekly OSLOBOJENJE.

Babic To Decide on Formation of Government

AU1506175995 Knin Srpski Radio Network in Serbo-Croatian 1900 GMT 14 Jun 95

[FBIS Translated Text] Following President Martic's proposal to nominate Dr. Milan Babic as prime minister designate, the office of Dr. Milan Babic, president of the Serb Democratic Party of Krajina and head of Krajina's foreign affairs, issued a public announcement today, which says that Dr. Babic will make the final decision on whether to form a new Krajina government after talks with all the political factors important for the Republic of Serb Krajina.

According to the announcement issued by the office of the president of the Serb Democratic Party of Krajina, it is expected that the talks will be completed by the end of next week.

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Observance of FRY Sanctions Evaluated Positively

AU1506135395 Skopje MIC in English 15 Jun 95

[FBIS Transcribed Text] The Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] was positively evaluated at the regular session of the UN Sanctions Committee, held in Vienna recently.

The cooperation between the Macedonian Customs and the team of the UN mission for the implementation of the sanctions, in Macedonia, also received a "thumbs up."

The U.S. Customs Service has promised Macedonia technical help and various helping devices during the recent visit of the chief director Thomas Adams.

Fewer Vehicles Crossing Border With Serbia

AU1506135195 Skopje MIC in English 15 Jun 95

[FBIS Transcribed Text] The frequency of the vehicles from the FRY [Federal Republic of Yugoslavia] toward Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] has decreased even for 50 percent in comparison with the first days of June last year. The reason for this is the tax of 40 dinars and 100 per vehicle, that has to be paid by all FRY citizens upon exiting the country. There is also a noticeable drop in bus traffic between the nearest towns from Macedonia and Serbia. For now, Macedonian bus transporters are still servicing all regular lines between Macedonia and FRY. However, they are thinking of reducing the number of lines.

Legal Expert on SFRY Succession Issue

95BA0209A Skopje PULS in Macedonian 24 Mar 95 pp 7-9

[Interview with Todor Djunov by Emil Krsteski; place and date not given]

[FBIS Translated Text] *Professor Dr. Todor Djunov (1931), member of the Constitutional Court of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] and, for many years, full professor of international private law and head of the newly established specialization course for diplomatic-consular relations at the law school in Skopje, is participating in the most important talks on the succession to the former SFRY [Socialist Federal Republic of Yugoslavia], representing our country. Professor Djunov was also asked by the government to draft the Law on Citizenship and the Movement and Stay of Foreigners. He has repeatedly been a member of the Hague International Law Academy and spent one year at McGill University in Montreal, Canada. He is the author of some 100 works in the field of international relations, of four editions of a textbook on international private law, and a monograph on international regulation and exploitation of waters, which, in its time, was awarded the highest republic award "11 October." He has participated in a number of scientific meetings and conferences of world legal associations and international organizations in Vienna, Madrid, Belgrade, Washington, Paris, etc..*

[PULS] Professor Djunov, as our expert on international law you are actively involved in the talks being held on the successions to the former SFRY, a very topical subject. Could you tell us what problems you have encountered in the course of these discussions?

[Djunov] What complicates even further the resolution of the problem of the succession of former Yugoslavia is the additional problem of differences in the basic concept: In this case, are we working on succession because of the breakdown of the existing state or secession by some of its parts. To this effect the Arbitration Commission of the European Union was asked and gave its answer in issue No. 1 of November 1991. At that time, the Arbitration Commission took the stand that it is a question of a process of the breakdown of the state and that all of its members are successors. In that sense the Republic of Macedonia submitted to the International Conference on Former Yugoslavia an official amendment to the draft agreement, stating that all sovereign and independent countries created on the basis of the SFRY are its legal heirs and that all the legal rights and obligations which stem from this fact will be resolved jointly and in accordance with international law which, among others, was ratified by the Vienna convention on the succession of states, in terms of state property, archives, debts, etc. In that sense, the delegations of Slovenia, Croatia, and Macedonia asked that a special succession commission be established.

[PULS] However, the views of Serbia and Montenegro seem to be totally different. They believe that they are the only heirs to the former SFRY.

[Djunov] Yes, Serbia and Montenegro stubbornly supported the view that they alone remain part of the new state known as Yugoslavia and are the heirs of the SFRY from the international legal viewpoint. This view is most firmly supported by the Serbian and Montenegran delegations to this day, with the exception of the time of the Panic government. This makes impossible the reaching of any agreement whatsoever for the division of the state property, debts, files, and membership in international organizations and international agreements concluded by former Yugoslavia.

That is why, at the request of the deputy chairmen of the International Conference on Former Yugoslavia,

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in issue No. 8, dated 4 July 1992, the Arbitration Commission asserted that the process of breakdown of the SFRY has been completed and that it should be noted that the SFRY no longer exists. At the same time, in connection with the issue of the states originating from the SFRY, in issue No. 9 of the same date, the Arbitration Commission answered that new states were created on the territory of the former SFRY, to replace it. Serbia (Serbia and Montenegro) has no right whatsoever to consider itself the only heir of the SFRY. The Arbitration Commission took the view that in connection with the decision of Serbia and Montenegro of April 1992 to establish a new entity known as the SRJ [Socialist Republic of Yugoslavia], for which it adopted a new constitution, this entity meet the criteria of a new state but, as was noted also by the Security Council in Resolution No. 757 (1992), the claim of the SRJ (Serbia and Montenegro), according to which it automatically claims to be the continuation of the former SFRY, was rejected. It is a question of a new state which cannot be the only heir of the SFRY. In that sense a working group was set up by the International Conference on the Former Yugoslavia, headquartered in Geneva. It has been working since July 1992 on materials drafted by experts from the European Community, now the European Union, and the United Nations, for reaching a comprehensive succession agreement.

[PULS] It is generally known that the succession of the states should be regulated in accordance with the principles of international law and the 1978 and 1983 conventions that, in practical terms, have been adopted by all republics of the former SFRY as a basis for the talks on succession, within the framework of the International Conference on Yugoslavia. In that sense, what is the position held by the Republic of Macedonia?

[Djunov] In terms of all questions related to succession, the position of the Republic of Macedonia is based on the rules stipulated in the 1978 and 1983 Vienna conventions on the succession of states, adopted by all participants in the conference on former Yugoslavia as the legal foundation for the future agreement, especially since these conventions were signed and ratified by the former SFRY. That is why the Republic of Macedonia agreed with the division of the quota shares of the rights and obligations of the state successors concerning the International Monetary Fund and the International Bank for Renovation and Development (the World Bank), whose member Macedonia became in 1993 on the basis of succeeding the SFRY membership, i.e., assuming the rights and obligations of the charter member of the Bretton Woods "twins" of 1944. Currently, it has undertaken talks on regulating the share of the obligations to foreign countries, based on commercial loans guaranteed by the SFRY (alone or together with the individual republics).

For that reason the experts and representatives of the Macedonian government in the economic and legal group at the conference asked for the adoption of criteria and methods for the division of the property of the former SFRY and its records, as well as for resolving the issue of the guarantee of the rights of citizens in terms of property rights, pensions, citizenship, etc. It has granted no concessions on this issue and has no intention to do so at any cost.

[PULS] Has the establishment of Macedonian independence also created some constitutional laws related to the succession issue?

[Djunov] Yes, the independence process was completed with the adoption of the new Constitution, which proclaimed the Republic of Macedonia as an independent state, on 17 November 1991. On that same date the constitutional law on the implementation of the Constitution of the Republic of Macedonia was passed. This law includes several stipulations pertaining to succession. In this respect, Article 3 stipulates that the Republic of Macedonia, as a sovereign and independent state, exercises its international status and relations with other countries and international agencies, organizations, and associations in accordance with the universally adopted principles of international law. As an equal heir to the SFRY, the Republic of Macedonia and the other republics will assume, on the basis of an agreement, obligations related to the creation of the SFRY. If no agreement about the legal heirs of the SFRY and concerning international relations with the other republics is concluded, the relations between the Republic of Macedonia and the other sovereign states from the SFRY shall be based on the general rules of international law, as well as the Vienna convention on the succession of states in the areas of state property, records, and debts of 1983. The independence of the Republic of Macedonia in terms of the Yugoslav National Army was completed in April 1992 with the complete withdrawal of the Yugoslav National Army troops from Macedonia after an agreement reached with the authorities of the Republic of Macedonia. The monetary independence was completed in April 1993. Macedonia became a member of the United Nations on 8 April 1993.

The memorandum of the Republic of Macedonia took the view that setting several dates for succession for the individual states successors of the former SFRY is not acceptable for practical reason and that a date should be set for all successors. The best date would be 31 December 1990, the day the last joint budget of the

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SFRY was adopted. That date should be used for all purposes stipulated in the 1983 Vienna convention.

If for some special purposes it becomes necessary to set separate dates for succession for individual states, for Macedonia that date would be 17 November 1991—the day the new Constitution of the Republic of Macedonia was adopted, with which Macedonia became a sovereign and independent state. The Arbitration Commission, consequently, took the view that the date at which the states succeeding the SFRY are the following: Croatia and Slovenia, 8 October 1991; Macedonia, 17 November 1991; Bosnia and Hercegovina, 6 March 1992; and the SRJ (Serbia and Montenegro), 27 April and that, unless the interested countries do not reach a different agreement, these would be the dates at which the state property, goods, and various rights, records, debts, and payments due to the former SFRY will be transferred to the successor states.

However, even this did not entirely resolve the problem of the succession of the SFRY. The discussion within the working group on the issues of the succession is continuing at the International Conference on Former Yugoslavia. Nonetheless, all these international bodies and laws believe that the Republic of Macedonia became an independent international-legal subject on 17 November 1991. It was as of then that it assumed obligations and rights pertaining to the international community.

[PULS] What will happen if no agreement is reached on the legal legacy of the former SFRY and the international relations among republics, and how and on what basis will the Republic of Macedonia regulate such regulations in the future?

[Djunov] If no agreement on concluding a treaty for the succession and relations among the successor states can be reached, as stipulated in Article 4 of the Constitution of the Republic of Macedonia, the legal legacy and international relations of the Republic of Macedonia with the other sovereign states stemming from the SFRY will be regulated in accordance with the general rules of international law as well as in accordance with the Geneva convention on the succession of states in the area of agreements of 1978, and the 1983 Vienna convention on the succession of states, in the areas of state property, records, and debts, including all legal means for the resolution of disputes among countries, as stipulated in the United Nations Charter.

[PULS] In addition to the division of the former SFRY we have also witnessed the breakdown of the USSR and of Czechoslovakia. What is their experience in terms of succession and what does that indicate from the international-legal viewpoint?

[Djunov] The experience based on the resolution of the problems of succession resulting from the breakdown of the USSR and Czechoslovakia are different in their international-legal aspects from those of the SFRY. The best possible is the Czechoslovak experience. As a united (federal) state, Czechoslovakia ceased to exist by the law of the joint legislative body exactly on midnight on 1 January 1993. The division of the joint property, rights, and obligations took place on the basis of the agreement. The main criterion for the division was the size of the population of each successor. Certain problems in regulating the citizenship of some categories of population and others have appeared and must be resolved.

In the case of the breakdown of the USSR, an initial agreement on the succession of the same was reached in Alma Ata. However, there are many unresolved problems among the Russian Federation, Ukraine, and the three Baltic republics in terms of the division of the military property, the citizenship of the Russian population. The most difficult problem is relations with the republics of the Caucasus, which has resulted even to waging war. Hence this experience cannot be considered as most applicable.

[PULS] Professor Djunov, could you comment on the present international status of Macedonia with a view to all military and political realities in the Balkans, starting with the presence and role of UNPROFOR and the American troops and the inexplicable Greek policy toward Macedonia?

[Djunov] With its acceptance by the United Nations, on 8 April 1993, the international situation of the Republic of Macedonia was strengthened significantly. It thus became part of the system of collective security of the world organization. It is significant that its sovereignty and territorial integrity were expressly guaranteed by all permanent members of the Security Council by virtue of sponsoring its membership in the United Nations and the specific recognition and establishment of full diplomatic relations, as was done by all members of the European Union other than Greece who, within the framework of the European Union and the United Nations, staged an absurd dispute (on the name, flag, and Constitution of the country), vetoed the membership of the Republic of Macedonia in the Organization for Security and Cooperation in Europe, and applied a total embargo on movements of people and goods across its border. In this case, Greece was simultaneously supported by Serbia, relatively the SRJ, by not recognizing its closest neighbor for reasons of solidarity with its more distant southern neighbor. This double blockade from the north and the south, in addition to other factors,

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is substantially weakening the economic and political position of the Republic of Macedonia.

On the other hand, the Republic of Macedonia has obtained significant financial (and political) support from international financial institutions, as well as the promise for such support on the part of the United States. Equally important is the preventive mission of the forces of the United Nations in Macedonia.

The fact that in the process of the dissolution of the SFRY, Macedonia achieved its independence peacefully and that, despite such difficult circumstances, it is nonetheless successful in preserving peace on the domestic and international levels, is contributing to the stabilization of the Republic of Macedonia on the international level.

[PULS] Is Macedonia part of the spheres of interest of the great powers in the Balkans?

[Djunov] The fact that geopolitically Macedonia is an area in which the interests of the great powers meet is also contributing to its status, which could threaten its security but could also mean proper interest in protecting its integrity and the development of cooperation and relations. Whether Macedonia is the focal point of some kind of scenarios concerning spheres of interest of the great powers in the Balkans remains a significant question. However, it is the clash of interests as well that could trigger an interest to maintain peace in this area. That is why the world organization took precisely here a preventive diplomatic action. Let us hope that the European Union realizes the potential danger which the destabilization of the Balkans would bring to Europe and thus undertake more actively to preserve the peace in this area.

[PULS] A little while ago, Professor Djunov, you mentioned the policy of the Republic of Greece toward our country. To what extent is it justified, given contemporary international legal relations and conditions?

[Djunov] Said acts of the Republic of Greece toward our country are unprecedented and lack any legal foundation in contemporary international law and international relations. Above all, any country has the right to its "good name," which is considered in traditional international law one of the basic rights of the state. Then, on the basis of the right to self-determination, guaranteed by the United Nations Charter, the international human rights pacts, and the final document of the Copenhagen 1975 Conference on European Security and Cooperation and the 1990 Paris agreement, the nations independently establish their constitutional order. The use of economic blockades of this kind violates the norms of the GATT, the United Nations Charter, and all European legal acts.

[PULS] Considering the recent intensification of its activities in the Balkans, including the visits of its defense minister to Bulgaria and Romania and of Minister Papoulas to Albania, Serbia, and Bulgaria, does our southern neighbor want to "catch the last train" in order to play an important role in the Balkans?

[Djunov] Our southern neighbor cannot play an important role in the Balkans by harming its closest neighbor. This can be achieved only through constructive cooperation among all Balkan countries.

[PULS] We have not touched upon the issue of the commitments and the rights concerning the international community that, as an independent international entity, the Republic of Macedonia has assumed. What rights and obligations have been met so far and which are those to be as yet implemented?

[Djunov] As an independent international entity, the Republic of Macedonia has proven itself to the international community. It is recognized as a state, has established diplomatic relations with most countries in Europe and throughout the world, and is a member of the United Nations and some 20 other international organizations within and outside the UN system, including significant international economic and financial institutions (the International Monetary Fund, the World Bank, the Bank of Europe, the GATT, and others). All that remains is to be accepted in the OBSE [expansion unknown], and the Council of Europe, and to become a member of the European Union, the main hindrance to which is the objection of its southern neighbor.

[PULS] To what extent could the United Nations and the other specialized organizations and institutions in Europe help to resolve the so-called Albanian issue in Macedonia or, more specifically, find a sensible solution in terms of their education and the functioning of the so-called Albanian university in Mala Recica?

[Djunov] The United Nations, and especially UNESCO, the specialized agency, as well as the OBSE could help to reduce the tensions triggered by the Albanian ethnic group in Macedonia with some of its demands, such as the so-called Albanian university in Mala Recica. The fact that the Constitution and the practice of the Republic of Macedonia guarantee their education to the various ethnic groups in their own language in primary and secondary schools, by law, and the fact that these schools also teach the Macedonian language totally meets the standards stipulated in the UNESCO conventions as well as the stipulations of the human rights charter of the Conference on European Security and Cooperation, which was adopted in Copenhagen in 1990, and which state that members of national minorities may establish educational institutions in their native

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language in accordance with the national legislation of a territorial state.

[PULS] You are an expert in international law and a participant in many international conferences, meetings, and seminars in this area. This includes the issue of the protection of national minorities. To what extent are minorities on Macedonian territory protected and have guaranteed rights based on international standards, and what is the situation of the Macedonian national minority in Macedonia's immediate neighborhood—Greece, Albania, Bulgaria, and Serbia?

[Djunov] The national minorities who live on the territory of the Republic of Macedonia are optimally protected and have guaranteed rights according to international standards, as stipulated in the international pact on civil and political rights, the (United Nations) declaration on the rights of members of national, ethnic, religious, and linguistic minorities, as well as the stipulations of the European Security and Cooperation Convention and the Council of Europe. The Constitution of the Republic of Macedonia states in its preamble that Macedonia is the national state of the Macedonian people, providing total civil equality and lasting coexistence between the Macedonian people and the Albanians, Turks, Vlachs, Gypsies, and other ethnic groups living in the Republic of Macedonia. It has been agreed that the Serbs will be acknowledged as a minority, as will be stipulated in the preamble with the amendment of the Constitution. The free expression of national affiliation and respect for the basic rights and freedoms of man and the citizen, accepted in international law, are fundamental features of the constitutional order of the Republic of Macedonia, as stipulated in Article 8 of the Constitution. The members of ethnic groups, as stipulated in Article 48 of the Constitution, have the right to express, preserve, and develop their ethnic identity. Members of ethnic groups have the right to found cultural and artistic institutions and scientific and other associations with which to express their identity. The members of ethnic groups have the right to schooling in their own language in primary and secondary schools in a way stipulated in the law. The Macedonian language as well is studied in schools which provide education in the languages of the ethnic minorities. However, the situation of our minority in neighboring countries is far from being maintained on that level. Some of our neighbors acknowledge its existence and there have been some manifestations of improving and advancing such rights. However, there are states that do not recognize their existence as a national minority and promote the policy of its assimilation.

[PULS] What could Macedonia, as an international entity, do to improve the situation of Macedonians who live in Australia, Canada, the United States, and other foreign countries?

[Djunov] According to Article 49 of the Constitution of the Republic of Macedonia, the Republic is concerned with the situation and the rights of emigrants from Macedonia, helps in their cultural development and promotes relations with them. The Republic is concerned with the cultural, economic, and social life of the citizens of the Republic abroad. This means that in terms of the category of emigrants there is a commitment for overall concern and for assisting their cultural development and the preservation of their identity. In terms of the citizens of the Republic of Macedonia who live abroad, this concern is expressed on the level of the diplomatic-consular protection, in accordance with international law and the practices of the individual states.

As an international entity, Macedonia will be able to do more to improve the situation of Macedonians, large numbers of whom live in Australia, the United States, Canada, and other countries, once full diplomatic relations have been established and consulates have been opened in those countries in places of greater concentration of emigrants from Macedonia, as well as the opening of cultural-information centers on a reciprocal basis of opening such centers in Macedonia.

[PULS] Professor Djunov, you are a member of the Macedonian Constitutional Court. What is currently its greatest concern and what problems are being faced by the Constitutional Court in terms of maintaining the constitutional order in our country?

[Djunov] For nearly 40 years I taught and did scientific work at the law school in Skopje and refused offers to work somewhere else. I have been a member of the Constitutional Court of the Republic of Macedonia since 25 May 1994. In less than a year the new Constitutional Court dealt with a number of problems related to its functioning and preserving the constitutional order in our country. The first such problem is the worsened disagreement by the opponents of a legal order with the new Constitution. In order not to create a legal vacuum, the new regime called for a transitional period during which the legislation will be gradually replaced by the successor. In that sense, the constitutional law on the implementation of the Constitution of the Republic of Macedonia stipulated that the existing Union stipulations will be accepted as Republic stipulations by the authorities of the Republic of Macedonia.

The work of the Constitutional Court of the Republic of Macedonia involves, above all, the constitutionality and legality of general laws and the constitutional acts of political parties and associations of citizens. The protection of the freedoms and rights of man and the

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citizen is based essentially on the constitutionality and the laws of general legal acts, which pertain to the rights and freedoms of man and the citizen and very rarely to the direct protection of the same. One of the problems in the functioning of the Constitutional Court is the implementation of its decisions. In accordance with its decisions, the court may abrogate or annul a law or any other stipulation, as well as a collective contract, statute, or program of a political party or association. This makes clear the importance of these resolutions. That is why the court must be careful in their formulation and presentation. This means that serious, analytical, and patient work and actions are necessary. However, equally needed is the development of a public atmosphere of respect for its resolutions in the interests of the citizens and the functioning of a law-governed state.

[PULS] Recently the law school in Skopje began to offer a specialized course for diplomatic-consular relations, headed by you. How does it work and what is its objective?

[Djunov] The proclamation of the independence of the Republic of Macedonia and its development of bilateral and multilateral diplomatic relations raised the need for the specialization of cadres for diplomatic and consular service. The training of such experts was organized by the law school as a one-year specialization for postgraduate students of law, political science, and the economic, philosophy, and other departments. The model adopted followed the example of similar studies in the rest of the world, such as the diplomatic academies in Vienna and the Vatican, the Law and Diplomacy School in the United States, and others. Twenty-four candidates were accepted after an entrance examination in international public and private law. The students will take specialist examinations in all seven subjects stipulated in the curriculum. Finally, the students are being trained to perform their work as specialists.

The curriculum is taught by 14 instructors and a certain number of associates, as well as by foreign and visiting professors. The studies are developing satisfactorily, with the participation of students and instructors. By the end of this month, lectures will be given by two noted foreign visiting professors: Monsignor Montavlo, director of the Vatican Diplomatic Academy, and H. MacCabry, an English professor of international humanitarian law. Cooperation has been agreed upon to this effect between the law school and the Ministry of Foreign Affairs and the foreign missions and international institutions represented in our country.

Ibrahimi Leaves PDP, Expresses Dissatisfaction

AU1506135295 Skopje MIC in English 15 Jun 95

[FBIS Transcribed Text] The member of Parliament Sami Ibrahimi sent a note to Parliament yesterday, informing that he is no longer a member of the PDP [Party of Democratic Prosperity] group of representatives in Parliament. Ibrahimi also states his dissatisfaction with the work of some Government ministers, from PDP ranks.

Instruction in Turkish at Pedagogical Academy

95BA0214B Skopje NOVA MAKEDONIJA in Macedonian 23 Mar 95 p 9

[Article by B.J.: "Competition for Turkish-Language Teachers"]

[FBIS Translated Text] *Teaching the methods of Turkish-language instruction is expected to begin on 1 October.*

In the next few days, the Sv. Kliment Ohridski Pedagogical Academy Council will hold a session at which, among others, it is expected that it will issue a resolution on holding a contest for teachers for Turkish-language methods. In practical terms, this will meet the demand of students of Turkish ethnicity, who are in the group for separate instruction and who, as of 1 October, will study subjects in their native language.

Since, until the beginning of the next school year, the concept on the training of teaching cadres, which does not contemplate the overall teaching of subjects in the language of the different ethnic groups, but only instruction according to the methods, it is most likely that the academy will assume the commitment of the overall supply of teaching cadres in the Turkish language. Currently, some 15 students are in their first year of studies at the academy. They initiated the demand for instruction in the Turkish language.

Bearing in mind that the resolution of the pedagogical academy applies to the organized instruction in the languages of the ethnic groups, it is naturally expected that similar demands will be voiced by members of the other ethnic groups in the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM]. Naturally, this will depend on having a sufficient number of students in the teaching group and the necessary professorial personnel to cover the stipulated subjects.

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Lack of Money Limits School Attendance

95BA0214A Skopje NOVA MAKEDONIJA in Macedonian 23 Mar 95 p 5

[Article by A.M.: "Increasing Number of Illiterate Children"]

[FBIS Translated Text] *Due to shortage of funds and manpower, a large number of parents in cities and settlements prevented their children from going to school.*

Strumica, March

For some population categories in the Strumica area, lack of money has reached such a low level that is directly reflected in teaching literacy to the children. Last school year, the local administration of the Ministry of Education and Physical Culture accused the parents of 106 children for preventing and forbidding children to attend school and complete their mandatory education. However, few results were achieved. Only 16 children among those whose parents were charged with violating the law returned to school. Indications are, however, that by the end of the school year the number of students who will not qualify for certificates will rise to more than 150.

This is a worrisome condition which is worse this year, said Zoran Uzunov, head of the local department. Neither summonses nor personal contacts or visits at home are helping. The only reason for such student dropout, the parents stress, is the poor material condition both from the viewpoint of shortage of funds for attending school and the need of manpower to support the families.

According to the breakdown of the students who illegally lose the right to become literate, the dropping out is the highest in the first grade and takes place both in the town and the settlements. Most of these children are male and most of them are of Turkish ethnicity, especially in Strumica and the Visoka Maala, Bansko, and Angelci villages.

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PRC's Li Peng Cancels Visit to Poland

LD1506200295 Warsaw Polskie Radio First Program Network in Polish 1700 GMT 15 Jun 95

[FBIS Translated Text] The visit of Chinese Premier Li Peng to Poland, planned for next week, will not take place. At first, the program of the trip by Li Peng included Poland, Ukraine, Belarus, and Russia. Today, however, well-informed sources in Beijing revealed that the visit to Poland by the Chinese premier has been called off; although, he will, according to plan, go to the three remaining states. A PAP correspondent did not succeed in obtaining an official explanation of the reason why the trip to our country by Li Peng will not come about. It is suspected that this decision was made due to fear of the visit not bringing any concrete results. It is, for instance, well known that it has not been possible to prepare the signing of a veterinary agreement or to complete negotiations on the issue of credit which Poland wishes to grant China for the purchase of investment goods. The problem of the trade balance with China, ever more unfavorable to Poland, remains unresolved.

Finance Ministry Trying To Pare 1996 Deficit

WS1506113095 Warsaw RZECZPOSPOLITA in Polish 13 Jun 95 pp 1, 7

[Article by Katarzyna Jedrzejewska: "Higher Taxes, Higher ZUS Premiums, or No Growth in the Real Value of Pensions? Over Z5 Billion Still Missing"]

[FBIS Translated Text] Next year's budget is still missing more than 5 billion zlotys [Z] (apart from the projected Z9.7 billion deficit). Unless the principles of indexing pensions are changed and cuts in spending are made, taxes on personal incomes will have to be raised to the thresholds of 25, 43, and 50 percent (according to one variant), or to 25, 40, and 54 percent (according to another)—warns the Finance Ministry in the basic provisions for the 1996 budget it presented to the Office of the Council of Ministers yesterday. Simulations run by the Finance Ministry also provide for increasing premiums paid to the State Security Agency [ZUS]. If the missing Z5.1 billion is to be raised, however, the premium would have to raised from the current level of 45 percent to 52.5 percent.

Two Pension Indexations

If the real value of pensions in 1996 remains the same as in 1995, the deficit will be reduced by more than Z5 billion.

Meanwhile, the average pensioner should receive a real 12.9 percent more than they did this year. Pensions for farmers are growing even faster—by a real 13.2 percent. This growth has been provided for in the whole system of pension indexation, reminds the Finance Ministry in its budget projections.

Considering that the same system of indexation will be effective next year, pensions will have to be indexed twice: in March by 15.4 percent, in December by 10.1 percent.

Subsidies to the Social Security Funds [Fundusz Ubezpieczen Spolecznych—FUS] and the Agricultural Social Security Bank [Kasa Rolniczego Ubezpieczenia Spolecznego] alone will require that Z19.4 billion be allocated from the budget next year. This is Z7 billion less than 1995.

Taxes

There are not many options for finding funds for next year's pensions. One of them is raising the thresholds for personal income taxes. If, however, the Z5.1 billion is to be generated, they would have to grow to the levels of 25, 43, and 50 percent, or, according to another variant, to 25,40, and 54 percent. For the time being, the Finance Ministry is only running simulations.

The fate of the 12 percent VAT on electricity and gas fuel seems more definite (17 percent in 1997, 22 percent in 1998).

Beginning on 1 January 1996, the VAT would be raised on construction materials and services from 7 percent to 22 percent, on books and newspapers from 0 percent to 7 percent, on sales of houses and apartments from 0 percent to 7 percent.

On 6 July 1996 the VAT would be raised on basic inputs for agricultural production, pharmaceuticals, medical and rehabilitation products from 0 percent to 7 percent.

As we have previously reported, the tax on imports would be decreased from 5 to 3 percent.

Premiums for ZUS

Another solution is to raise premiums paid on social security. If they were to be raised by one percentage point, approximately Z1 billion more would reach FUS. Finance Ministry estimates show that the premium would have to be raised by 6 percentage points to cover for the remaining sum of above Z5 billion. It should be taken into consideration, however, that this would cause the revenues of companies to drop and, as a consequence, revenues from individual income taxes would slump. In all, increasing the ZUS premium by 1 percent would cause an extra Z680 million to reach the budget.

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This means that if the deficit were to be completely eliminated, the premium would have to be raised by 7.5 percentage points (from 45 to 52.5 percent). It is not difficult to calculate that along with premiums paid to the Labor Fund [Fundusz Pracy] and the Fund of Guaranteed Employment Benefits [Fundusz Gwarantowanych Swiadczen Pracowniczych], 56 percent of earnings would have to be expropriated.

Another alternative is leaving the real value of pensions at the same level as 1995. This would allow us to spend Z7 billion less. Lower revenues on income taxes, however, have to be accounted for (lower pensions equal lower income tax revenues). As a result, keeping the real value of pensions at the 1995 level would cost Z5.5 billion less than the indexation that would cause them to grow by 13 percent.

Financing the Deficit

According to the Ministry of Finance, the deficit that can be realistically covered is Z9.7 billion. Of that amount, Z2.2 billion is to be financed from outside the banking sector. The assumption is very optimistic, because it implies that financing from outside the banking sector in 1996 will grow by more than 22 percent, as compared with the current year.

Chances for obtaining new loans abroad remain slim.

Under the circumstances, the Finance Ministry claims, financing the state budget deficit is possible only from within the banking sector. If that sector were to finance an additional Z5.1 billion, however, loans for the economic sector would decline by a real value of approximately 5 percent, as compared with 1995. (It is assumed that the real value of loans to economic subjects will grow by more than 2 percent).

Even if the state does manage to sell securities worth more than Z5.1 billion, it should be remembered that the immediate consequence of that will be higher costs of servicing the public debt in 1996 and subsequent years. It is already known that servicing the public debt in 1996 will require at least 16.3 percent of total budget expenditures.

The Public Sector

Salaries in the state sector will grow much more slowly than pensions next year—by a real value of approximately 4.3 percent (and a nominal value of 25.1 percent). In all, slightly more than one-fourth of budget expenditures will be appropriated to salaries in the public sector. The Ministry of Finance estimates that in 1996 salaries in the public sector—raises included—will cost approximately Z23.3 billion.

If salaries in the public sector were to grow by a real value of more than 4 percent, either spending would have to be cut elsewhere, or employment must be reduced in the public sector, as Finance Ministry simulations indicate.

As far as employment in the public sector in 1996 would fall by 1 percent in comparison with the end of last year, the real average salary in this sector would grow by 1.1 percent.

Remaining Remuneration

The Finance Ministry projects that the average gross salary in 1996 will be:

—Z883 in the national economy, 24.1 percent higher than this year's;

—Z938 in the private sector, 23.4 percent higher than this year's.

Prices

From December 1995 to December 1996 the prices of consumer goods and services should not grow by more than 17 percent, claims the Finance Ministry. Prices in 1996 would be on average 19.8 percent higher than in 1995. Prices on production sold would grow by an average of approximately 18.1 percent, while investment by approximately 14.5 percent.

From December 1995 to December 1996 prices on electricity supplies would grow by 7 percent. VAT would further raise that figure to 12 percent. Prices of gas supplies would grow over the same period by 9 percent, 14 percent with VAT.

Retail prices would be increased:

—on electricity by 12 percent (including 12 percent VAT);

—on gas by 14 percent (including 12 percent VAT);

—central heating and hot water by 18 percent (12 including percent VAT);

—on pharmaceuticals by 17 percent;

—on spirits by 21 percent.

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Basic Projections for 1996 Budget	
Revenues	Z100.581 trillion
Expenditures	Z115.351 trillion
Deficit	14.770 trillion (4.3% of GDP)
Including:	
Manageable deficit	Z9.700 trillion (2.8% of GDP)
Unaccounted for	5.070 trillion

Basic Macroeconomic Projections

	1995	1996
Gross domestic product	Z278.9 billion	Z345.9 billion
Growth of industrial production	9%	8.5%
Growth of individual consumption	3.5%	4%
Growth of mass consumption	2.5%	2.5%
Gross investment outlays	8.5%	8.5%

NBP Seeks To Amend Foreign Currency Law

WS1506134395 Warsaw GAZETA WYBORCZA in Polish 12 Jun 95 p 22

[Article by Konrad Sadurski: "NBP Currency Reserves Grow By $500 Million Each Month; Expensive Immediacy"]

[FBIS Translated Text] The growth in foreign currency reserves is due primarily to the differences in prices for gas and food on both sides of the Oder River [Polish-German border]. It could be decelerated by shutting the western border or by crossing out the word "immediately" from the currency law.

Exporters have to immediately resell foreign currency to banks. They promptly exchange all currency revenues into zlotys, the surplus of which is becoming one of the major reasons for inflation.

Experts claim the surplus of money on the market alone is not a direct cause of inflation, but merely one of the factors conducive to its growth. "You need two people to conceive a child," says Deputy Finance Minister Krzysztof Kalicki.

There is increasingly more money on the market, primarily due to the influx of foreign currency. The National Bank of Poland [NBP] is doing its best, but it is finding it difficult to curb the growth of the money supply. "We have concentrated our efforts on persuading the government to allow companies to hold foreign currency accounts," says Ryszard Kokoszczynski, a member of the NBP Board.

If the companies did not have to sell their currency immediately, the supply would not grow as quickly as it has recently.

The NBP claims it is necessary to amend the Currency Law. "Crossing out the word 'immediately' would help," says NBP.

The Finance Ministry, however, does not agree with that. "Before we amend the law, we want to carry out a survey of whether banks, importers, and exporters will find the new solutions interesting," says Andrzej Golebiewski, director of the Foreign Currency Policy Department. He assures the ministry will study the NBP proposal very carefully and make a decision soon. It has not yet been established whether the obligation to resell currency to banks would be lifted temporarily or indefinitely.

"If companies were permitted to open foreign currency accounts," admits Golebiewski, "it would be possible to transfer part of the currency reserves from the NBP to banks, thus decelerating the growth of the money supply."

Another preventive measure against growing demand related to the huge influx of foreign currency would be strengthening the domestic currency. An unfavorable exchange rate would create a barrier for exports. Yet it is not exporters who are responsible for the big influx. The major factor is flourishing trade in the border regions. Investors no longer wait for Polish exports, but come to our country to shop themselves with thickly stuffed wallets.

This causes a paradox: The money they leave here is unaccounted for in the trade balance. After the first four months of this year there was a trade deficit of $261 million. The growth of NBP's currency reserves is proof that a great amount of money is being left here: Since January, the reserves have been growing at a monthly rate of $500 million. This is a fact that should not be dismissed lightly.

Many experts claim, however, that too much of anything gives you a headache, and the currency will be needed to pay our foreign debts. Trade in the border regions, on the other hand, is ephemeral: It is there now, but may vanish at any moment. The NBP is arguing, however, that the surplus in border-region trade is a permanent phenomenon. Exports in the border area, according to

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Kokoszczynski, is incited by the difference in gas and food prices.

Gas is cheaper in Poland by several dozen percent. This is a result of the differing excise taxes paid on both sides of the border.

We should not, however, expect any tax revolution. Neither are changes in the agricultural policies of Poland and Germany likely. In the immediate future, German marks and U.S. dollars will continue to reach us, and cars filled with Polish gas and loaded with Polish food will leave.

The NBP claims that if this process is to be discontinued, the zloty would have to be considerably strengthened—by more than 10 percent. However, this would be like throwing the baby out with the bathwater, because such an appreciation of the zloty would be a fatal blow to exporters.

NBP Currency Reserves

Year	Amount
1992	$4 billion
1993	$4 billion
1994	$6.3 billion
1995	$9 billion

Foreign Trade Balance

Year	Amount
1992	+ $512 million
1993	- $2.3 billion
1994	- $944 million
1995	- $261 million

Military Audit Chief Recalled After APC Sale

LD1506121095 Warsaw TV Polonia Network in Polish 1730 GMT 14 Jun 95

[FBIS Translated Text] The national defense minister recalled Colonel Jozef Dziedzic from his post at the Supreme Chamber of Control [NIK]. He was responsible for audits in the army and in the Ministry of Internal Affairs. Earlier, Jerzy Szmajdzinski, chairman of the Sejm's Defense Commission, requested the NIK to examine the propriety of the sale of 52 infantry personnel carriers to an African country. According to former National Defense Minister Piotr Kolodziejczyk, the transaction was illegal and was carried out in secret without the knowledge of the ministry's leadership.

[Unidentified correspondent] In the judgement of the NIK chairman [Lech Kaczynski], the decision to recall Colonel Dziedzic is not a coincidence. [video cuts to show Kaczynski speaking]

[Begin Kaczynski recording] This matter concerns, first, an audit at the 36th Air Force Regiment. That is the regiment which serves the needs of the government—this is about government aircraft. We found many improprieties there, putting it mildly. We found these things, and we returned to this audit, since we came to the conclusion that it was still appropriate to determine other things there. And second, it concerns an audit of the turnover in arms and ammunition. [end recording]

According to Lech Kaczynski, the recalled Colonel Dziedzic carried out a thorough audit in the army for the first time since the war: [video returns to show Kaczynski speaking]

[Begin Kaczynski recording] The case of Colonel Dziedzic, a few days before my final departure from the NIK—which will be the day when my successor takes the oath of office—indicates above all the enormous speed of Minister Okonski—he is very much afraid of something here, in the next few days. [end recording]

According to the National Defense Ministry, the decision by Minister Okonski is a routine one. [video cuts to show Major Eugeniusz Mleczak, press spokesman for the Ministry of National Defense, speaking]

[Begin Mleczak recording] The minister of national defense recalled Colonel Dziedzic from the post he fills in NIK since the minister sees the need for the use of his knowledge and experience elsewhere. This matter is totally coincidental in time with the sensations proclaimed by Mr. Kolodziejczyk yesterday on the subject of the sale of the [personnel] carriers, and also has nothing at all to do with a NIK audit in relation to this matter. [video cuts to show former National Defense Minister Admiral Piotr Kolodzieczyk speaking]

[Begin Kolodzieczyk recording] I think that this news is comment enough in itself. Colonel Dziedzic was regarded as a very thorough and stubborn, and for that reason troublesome, inspector. I judge that these are not the kind of inspectors who are wanted at the moment. [end recording]

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In Kolodziejczyk's view, the sale of the [personnel] carriers was made in September. He himself only discovered it from the head of military counterintelligence in October, as a result of an investigation after the famous dinner at Drawsko, in the course of which generals expressed themselves in favor of changes in the leadership of the Ministry of National Defense. The document accepting the transaction, which according to the Defense Ministry was signed by Kolodziejczyk, bears the date of 18 October. Admiral Kolodziejczyk does not preclude that the entire matter might be a case of corruption. [video returns to show Kolodziejczyk speaking]

[Begin Kolodziejczyk recording] If someone hides these kinds of lucrative transactions from the minister, then he must have some interest in it. But I will not indicate anyone to you at this time. I will not cast the shadow of suspicion on anyone. This is a matter for a commission to present the results of its investigation to the public. [end recording]

Former Deputy Defense Minister Danuta Waniek said that she did not have to know about the transaction, since it was outside her sphere of competence. [video cuts to show Waniek speaking]

[Begin Waniek recording] I remember the climate then, between the chief of the General Staff and Minister Kolodziejczyk. It was certainly bad. And it seems to me that this arrangement of relations could have favored Minister Kolodziejczyk's consent being circumvented in the case of this transaction. [end recording]

In accordance with ministerial regulations, the chief of the General Staff can withdraw military equipment from use and allocate it for sale. The matter is then taken over by the Armaments and Infrastructure Department of the Ministry of National Defense. The head of this section must inform the defense minister of this. The present head of this section, Deputy Minister Jan Kuriata, who was concerned with the sale of the carriers, was unavailable for comment today. The NAT company, which was the intermediary in the sale, is known to the head of the NIK as a firm associated with the State Protection Office. According to Piotr Kolodziejczyk, it was precisely Gromoslaw Czempinski, the head of the State Protection Office, who sold the carriers with General Wilecki, chief of the General Staff.

[Announcer] The government team for special trade, which functions within the framework of the Defense Affairs Committee, stated that on the basis of documents presented by the Ministry of National Defense, the sale of the armored personnel carriers was justified and in accordance with regulations. According to the team, the most advantageous offer of purchase was taken advantage of, the equipment sold was surplus [to requirements], and the then head of the ministry, Piotr Kolodziejczyk, knew about this transaction.

Okonski, Wilecki Dispute Said Feigned

WS1506150295 Warsaw GAZETA POLSKA in Polish 15 Jun 95 p 3

[Article by Piotr Jakucki: "Military Poker"]

[FBIS Translated Text] [Defense] Minister Zbigniew Okonski and head of the General Staff General Tadeusz Wilecki are quarreling over money and about who is to control the Armed Forces. The whole show may well be designed to demonstrate that the situation in Poland does allow for presidential elections to be held, which would thus keep Lech Walesa in the Namiestnikowski Palace [presidential office and residence].

Money Does Not Stink

Okonski will be earning 49.5 million old zlotys once he gets his raise, Wilecki approximately 5 percent less. The head of the General Staff feels offended by the fact that he earns less than the civilian [defense minister]. The Ministry of National Defense [MON] is currently developing a draft regulation stipulating that Okonski's and Wilecki's salaries be the same. According to GAZETA POLSKA sources, if the regulation is passed it will ultimately prove that the Armed Forces are in reality administered by Gen. Wilecki, and the civilian minister is merely a decoy. It will serve as an argument that MON is reinstating structures that existed in the People's Republic.

Will Elections Be Held?

The argument over money is, according to some, only superficial: "Okonski and Wilecki are Walesa's men. The fight that is being currently feigned, revealing demands raised by generals and the likelihood that they may revolt against the civilian minister, might be aimed at creating an atmosphere of imminent danger. After the police had so brutally pacified the Solidarity protests and a session of the National Defense Committee [KOK] has been held, this would further point to the fact that the democratic system is collapsing. As a result, it could cause the presidential elections to be rescheduled," says an officer of the Polish Armed Forces.

Wachowski in Control of Secret Services

The KOK session held on 6 June at the military center in Helenow near Warsaw was top secret. The participants were President Walesa, Prime Minister Oleksy, Gen. Wilecki, and head of the presidential National Security Office Henryk Goryszewski. Also present were the heads of the Office of State Protection Gromoslaw

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Czempinski and the Military Information Services' Gen. Konstanty Malejczyk. According to an unofficial report, KOK deemed the brutal action taken by the police against demonstrating Solidarity unionists justified and prudent. The manifestation was said to have been a threat to public safety.

It was agreed that the military secret services should not get involved in the presidential campaign. From our own unofficial sources we learn, however, that it is not that certain whether the civilian and military services will indeed retain their apolitical character. They may carry out surveillance of nonleftist candidates. Mieczyslaw Wachowski, a close friend of Okonski's, has assumed informal control over the secret services. This explains his being "pushed out of the limelight" by Walesa.

A Militarized MON

Part of the military community claims it is probable that President Walesa, in his scheming within MON, has placed his bets on Wilecki, assuming he has the greatest influence on the Armed Forces and can guarantee they would be fully obedient if a state of emergency were to be introduced. "There is, obviously, the question of who will control the Armed Forces—more or less qualified civilians who can guarantee we will enter NATO, or generals from the General Staff who would considerably weaken our chances. An analysis of the current situation in MON rather points to the latter," an officer of the Polish Armed Forces told GAZETA POLSKA.

Public Support for Democratic System Grows

WS1506090795 Warsaw ZYCIE WARSZAWY in Polish 12 Jun 95 pp 1, 3

[Report by "NIKA": "Is Reality Defying Ideals? Democracy Yes, but Ours Is Not Working Too Well"]

[FBIS Translated Text] The public approval for democracy that is growing with each passing year is accompanied by ever more frequent criticism of the way its principles are being implemented in Poland, shows a poll conducted by the Public Opinion Research Center [CBOS].

Democracy primarily implies personal freedom, claim 79 percent of those polled. According to 19 percent, this type of governing is a source of confusion and chaos.

Squabbling between parties is considered normal, and the best method of solving political conflicts is a Sejm debate, claim three-fourths of respondents, and the trend is still growing. Just as in 1993, those polled acknowledged the huge role media play in a democratic system. As many as 82 percent of respondents say an independent press is a guarantee of freedom and should not be constrained.

The group of people who claim that the democratic system is superior to any others is steadily growing (currently 67 percent of Poles say so). One-sixth believe otherwise. Nearly one-half of respondents, however, say that sometimes nondemocratic rule may be called for, particularly when citizens should be strictly disciplined (such as in times of war).

Citizens living in a democratic state feel more free (82 percent), happier (64 percent), are generally better off (64 percent), and have more respect for state authorities (57 percent). The price to pay for that is a fear of the growing crime rate (57 percent). In all, one-third claim democracy is better than other systems, regardless of the circumstances.

As many as 67 percent of Poles are not satisfied with the way democracy is functioning in our country. Their discontent is primarily due to the impoverishment of our country (26 percent), a lack of morals and conflicts between the ruling elites that are incompetent (21 percent).

One-fourth of those polled are satisfied with the way democracy functions in Poland. They say that it has brought them more freedom (14 percent), enhanced economic growth (7 percent), and improved Poland's image abroad.

A comparison of the most recent opinion poll results with those of 1993 shows that we are rather moving away from an ideal democracy than towards it. The number of people who think so has dropped by half (from 22 to 10 percent). One in four respondents claim we have now come halfway.

Does the system in which we live have any meaning for us personally? Not for the 45 percent who claim it does not make much of a difference whether or not the system is democratic. Exactly the same number claim the opposite.

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CBOS: Poles on Democracy

Democracy is a superior system as compared with others:	
Nov 92	52 percent
Jun 93	62 percent
May 95	67 percent

Nondemocratic forms of government may be called for at times:	
Nov 92	36 percent
Jun 93	45 percent
May 95	47 percent

* * *

The poll was conducted by CBOS between 5 and 10 May on a sample group of 1,203 people.

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Melescanu Predicts Compromise on Hungarian Treaty

AU1506195995 Bucharest Radio Romania Network in Romanian 1300 GMT 15 Jun 95

[FBIS Translated Excerpt] Today Foreign Minister Teodor Melescanu left for a two-day visit to Sweden. Before leaving from Otopeni Airport, Melescanu outlined the goals of his visit. [passage omitted] Asked by journalists about his meeting last night at Victoria Palace [government headquarters] with the leaders of the political parties belonging to the governing arch, he pointed out that he had informed the parties supporting the government about the stage of the negotiations on the bilateral treaties with Hungary and Ukraine, and, in that context, about the solutions considered possible by the Romanian side on the basis of the talks held so far, as well as the prospects for future negotiations. They had also discussed ways to find compromise solutions to the issues currently in suspension pertaining to the basic political treaty with Hungary.

According to our correspondent Doina Saiciuc, the Romanian foreign affairs minister said that divergent points of view were expressed, all originating in the well-known concern that this treaty must not contain, in the Romanian party's view, any unclear stipulations that could be interpreted as recognizing collective rights for ethnic minorities or local autonomy according to ethnic criteria. In this context, Mr. Melescanu added that it is understandable that Romanian society finds it difficult to accept a text that could be interpreted in that way.

The head of Romanian foreign affairs said that he had felt extremely firm support from all the political parties on concluding the basic political treaty with Hungary as soon as possible. Several interesting things cropped up, Mr. Melescanu said, adding that, quote, we hope that within a few days, during which we will also consult the other political parties represented in Parliament, we will be able to make a compromise offer to our Hungarian colleagues regarding these issues, unquote.

Horn Asks Iliescu To Intercede on Education Bill

AU1506161295 Bucharest Radio Romania Network in Romanian 1300 GMT 15 Jun 95

[FBIS Translated Text] We have received the following communique from the Romanian Presidency:

Today Romanian President Ion Iliescu held a telephone conversation with Hungarian Prime Minister Gyula Horn. The Hungarian prime minister referred to the passing, yesterday, by the Romanian Senate, of the Education Bill, the stipulations of which—those referring to the education in the languages of ethnic minorities—Horn claimed would gravely affect ethnic Hungarians living in Romania and would also be in discordance with European norms.

In essence, Mr. Gyula Horn requested that the Romanian president should examine the situation thus created, and also consider amendments to the bill presented by the UDMR [Democratic Union of Hungarians in Romania].

The Romanian president informed him that the process of passing the bill was not yet concluded and that, owing to procedural regulations, he did not have the right to intercede in relations between the two parliamentary chambers, which will have to harmonize the divergent texts of that bill that they have passed.

According to the communique that we have received from the presidency, the Hungarian prime minister then referred to the new round of negotiations, at expert level, on the basic bilateral treaty, scheduled to begin on 19 June in Bucharest. Mr. Horn said that if there was sufficient political will, an agreement could be reached, similar to that concluded by Hungary with Slovakia. He added that, if need be, the Hungarian foreign minister could come to Bucharest to finalize the treaty, following which the document could be signed at a location agreed upon by the parties.

The Romanian president shared the optimistic views of the Hungarian prime minister and pointed out that if, as seems to be the case, the parties did agree on the exclusion of the collective rights concept, as well as the ideas of autonomy on ethnic criteria or special status on ethnic criteria, this could serve as a basis for negotiators to be able to reach a consensus on working on the text of the basic treaty.

Horn's Concern About Education Law Welcomed

LD1506220895 Budapest Kossuth Radio Network in Hungarian 2000 GMT 15 Jun 95

[FBIS Translated Excerpt] Gyula Horn has informed HDUR [Hungarian Democratic Union of Romania] leaders of his conversation with President Iliescu. Tibor Bogdan reports from Bucharest.

[Bogdan] [Passage omitted] Today HDUR Chairman Bela Marko had a telephone conversation with Romanian President Ion Iliescu and agreed that he would repeatedly send the presidential office the HDUR's amendment proposals in connection with the education bill, which was adopted in the Senate. [passage omitted]

Answering my question what he thought of Gyula Horn's step, Bela Marko said:

[Begin Marko recording] I regard it as very important because, as we have emphasized on several occasions,

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we expect the Hungarian Government's support in all of our decent aims and ideas which concern the situation of the Hungarians in Romania and, in our view, cannot be indifferent for the Hungarians living elsewhere in the world or the Hungarian government, either. [end recording]

Union Protest Rally Ends Without Incident

AU1506191595 Bucharest Radio Romania Network in Romanian 1700 GMT 15 Jun 95

[FBIS Translated Text] Today at 1900 hours the protest rally organized in Bucharest by the Cartel Alfa, CNSLR [National Confederation of Romania's Free Trade Unions] Fratia, and the National Trade Union Bloc concluded. No incidents were reported.

The rally, which began at 1200, had the participation of union members from throughout the country, the relatively low number of whom was interpreted by the union leaders as the consequence of certain pressure exerted by the rulers of the country.

At about 1600 Mr. Bogdan Hossu, the chairman of the Cartel Alfa trade union confederation, told the crowd attending the rally about the failure of the talks held during the afternoon by the union leaders' delegation with Senate Speaker Oliviu Gherman. He explained this failure by the fact that by the time the talks had opened the majority of the senators had already left Bucharest for the weekend in their constituencies.

The union leader also said that Mr. Gherman had promised to present the document containing the claims of the three union confederations at negotiations scheduled to take place on Monday, 19 June.

The protest rally is to resume tomorrow morning, our correspondent reports.

Similar rallies organized by the three trade union confederations took place today in front of Hunedoara County Prefect's Office, which was preceded by a march through the main streets of the Deva Municipality, as well as in the towns of Slatina and Botosani and Constanta city.

A few minutes ago, we received by fax the following communique: The Confederation Committee of the Cartel Alfa Trade Union Confederation, which held an extraordinary meeting today, once again finds that the joint action of the trade unions have been betrayed by some union leaders. We are disillusioned with the fact that, owing to the vanity and petty interests of such union leaders, they have placed their personal interests ahead of the interests of the many and have done everything that they could to block the labor actions.

By applying the divide-and-rule principle and using financial means from the contributions of each citizen, the rulers try—and seem to have managed—to disunite and destroy the union movement in Romania. Taking this reality into consideration, the Cartel Alfa Trade Union Confederation is determined to go ahead with the action jointly commenced on 15 June this year. On 16 June 1995, depending on the position taken by the other trade union confederations, it will make a decision on the final solution.

The communique is signed by Cartel Alfa Chairman Bogdan Hossu.

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Federal

Mazowiecki on Human Rights, Cooperation

AU1506105695 Belgrade VREME in Serbo-Croatian 12 Jun 95 pp 20-21

[Interview with Tadeusz Mazowiecki, special UN envoy for human rights in the territory of the former Yugoslavia, by Ana Uzelac; place and date not given: "Maastricht and Sarajevo—Symbols of Europe"]

[FBIS Translated Excerpt] Mr. Tadeusz Mazowiecki completed his latest research mission in Croatia and Bosnia on 5 June 1995, pointing to the crimes committed by Croatia against the Serbs from western Slavonia and to the ethnic cleansing that followed immediately after the action against the Croats who live in Banja Luka. "There are no military reasons to explain why Serbs were murdered during the Croatian military action," Mazowiecki said, adding that these crimes did not assume the proportion of a mass crime. The report, in which Mazowiecki will probably present many hitherto unknown details, is expected to be published by the end of June.

[Uzelac] Since you became special UN envoy for human rights in the territory of the former Yugoslavia in 1992, the majority of your reports have been opposed by official Serbian authorities, which accused you of being biased and of having an anti-Serbian attitude. How do you interpret these accusations?

[Mazowiecki] All parties to the conflict would like to read in my reports bad things about their enemies, and they are reluctant to accept criticism addressed to them. It should be said, however, that not only do the parties to the conflict react in the same way; the reactions of the Serbian side are the loudest.

I could not suppress the fact that the practice of ethnic cleansing in Bosnia had been initiated by the Serbian side. I warned that it would spread to the other parties to the conflict too. The most drastic consequence became evident in the Croatian-Muslim conflict in Mostar. Still, ethnic cleansing was predominantly carried out by the Serbian side. Serbs began it and went on with it. The most drastic example at the moment is the ethnic cleansing in Banja Luka. I could not suppress all this and I did not want to.

Still, it is not true that I was not interested in the destiny of Serbs who were victims in this war. I visited them too, I asked from the Committee for Sanctions not to make problems and to speed up the procedure for supplying Serbia with medicines.

I am trying to be objective, but the facts speak for themselves.

[Uzelac] It is relatively unknown here how you make your reports? How do you collect your data?

[Mazowiecki] My reports are always based on facts I check through several sources. I have my permanent assistants in Zagreb, Sarajevo, and Skopje, and soon I shall have some in Mostar, too. I wanted to have some in Belgrade too, but the Serbian authorities did not agree.

My assistants gather information from various objective sources or witnesses. Apart from that, I personally meet with people and talk with them during my missions. There are also various UN services, EU observers, and other international organizations that I obtain information from.

I get information about the situation in the Federal Republic of Yugoslavia from nongovernmental organizations as well as from representatives of the Albanian nationality from Kosovo, of Muslims from Sandzak, and Hungarians from Vojvodina.

My reports are first sent to the government of the former Yugoslav republics so that they can provide written comments, which I accept if they are documented and confirmed. Unfortunately, the criticism made by the government of the Federal Republic of Yugoslavia is, in most cases, propaganda.

[Uzelac] Your relations with the Yugoslav authorities have not been excellent; you have not visited Yugoslavia for two years. Why?

[Mazowiecki] My researchers were allowed to enter the Federal Republic of Yugoslavia on several occasions, for example when cases of rape were examined. We have not been granted entrance for a very long time now, however. I have contacted the government of the Federal Republic of Yugoslavia on several occasions with the request to allowing me to do field research. I received the answer that, in view of my attitude toward Yugoslavia, the government does not see any possibility of allowing me to visit Yugoslavia. I have received certain indications recently that a dialogue could be possible. Regarding the latest reports, I received some hints that they did not like them, but that my behavior had "improved," so that there might be a possibility for dialogue.

[Uzelac] The Croatian press often criticizes you, too. How do you assess your relations with Croatian authorities and media?

[Mazowiecki] The government in Zagreb cooperates, it accepts criticism, but naturally, it does not always abide by it. The conflict with Croatian authorities in connection with the ejection of Serbian families from apartments previously owned by the Yugoslav

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People's Army lasted for a very long time. The Defense Ministry and the Ministry of Foreign Affairs reacted in this case in two different ways. Generally speaking, the Ministry of Foreign Affairs tries to continue the cooperation, it allows me to do research work in the field, it has accepted the existence of my office, etc. The Croatian press sometimes publishes negative reactions, too. I think that sometimes there is a feeling of being endangered, so that there is an attempt to develop political unity. The part of the media that was not ready to accept criticism of Croatia was involved in that attempt. Still, I think that—compared with Serbia—Croatia has a much more positive attitude toward my work.

[Uzelac] Could you make a short comparison between the human rights situation in Serbia and Croatia?

[Mazowiecki] The situation in Croatia and Serbia is different. There is the problem of insufficient pluralism and restricted freedom of media in Croatia as well as the problem of citizenship. In Serbia there is the problem of political and human rights, the problem of independent unions, or to be more precise, the problem of the "Nezavisnost" [Independence] Union, whose representative I recently met in Brussels. There is also the problem of the media that cannot be seen and heard outside Belgrade as well as the problem of the activity of the political opposition. The most important problem is that of the Albanian nationality in Kosovo and the Muslims in Sandzak.

We can argue about whether 80 or 90 percent of the population are Albanian, but we cannot argue about the fact that they have problems—the problem of employment in public institutions and the problem of education, for example. Since autonomy was abolished in Kosovo, the human rights of the Albanians have not been respected. All international observers confirm that the situation in Kosovo is so tense that an explosion could come at any moment.

Instead of telling you these stories, I would like you to read my reports. I am afraid that every simplification of the very complicated situation in both Serbia and Croatia leads to a dangerous banality.

Instead of commenting on my reports, I would like Serbia to write its own reports.

[Uzelac] Your report, submitted to the UN Security Council on 13 December 1994, was dedicated to the situation in the media in the former Yugoslavia. How do you assess the role of the media in the Yugoslav crisis?

[Mazowiecki] When I visited Belgrade a long time ago, the then Prime Minister Milan Panic told me that the biggest war criminals in Yugoslavia were the media, and I think that this statement is to some extent true. The media are different, however. I think that local media that have the courage to tell the truth, deserve admiration and acknowledgement. I came across local media in Bosnia, however, that through attacking individual people, practically caused ethnic cleansing. The majority of the Bosnian media allowed themselves to be misused for warmongering purposes, or became directly engaged in the war. [passage omitted]

Lilic Says Sanctions 'Hindering' Peace Process

AU1506161395 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 15 Jun 95

[Report by Dragoljub Stankic]

[FBIS Translated Excerpt] FRY President Zoran Lilic, addressing the representatives of all branches of the Yugoslav Army, emphasized that the most important thing for the Army under present conditions is preserving unity and demonstrating its determination to defend the country, if need be. Our history is one of liberation wars, President Lilic said, adding that this year when the entire world is celebrating the anniversary of the victory over fascism, the Yugoslav Army and the FRY citizens can be proud of their traditions of liberty and their contribution to the victory over fascism. FRY [Federal Republic of Yugoslavia] President Zoran Lilic particularly stressed that through the great efforts of the officers and men, the program of the Yugoslav Army's transformation and reorganization has been realized to a great extent:

[Begin Lilic recording] We know our way and for that reason we must persevere on the way to, primarily, the country's economic recovery and its development. The main precondition for success is a lasting and stable peace on the territories of the former Yugoslavia. Yours is a huge obligation, but also an enormous responsibility and honor, I would say, to protect the integrity and the sovereignty of the FRY, and above all, peace.

The FRY, it must be said, has invested and is still investing great efforts in the defusion of the situation and the quest for a peaceful and just solution to the crisis on the territory of the former Yugoslavia. This is the fact that more and more countries in the world acknowledge today, which inevitably leads toward the final lifting of sanctions. The three years of experience have definitely shown that nothing was achieved by sanctions, that these have merely been hindering the peace process. They only inflicted catastrophic economic damage on us and southeastern Europe. The goals of peace and the principles of humanism call for their unconditional lifting. The FRY is doing everything that it can to

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prevent the escalation of the conflict and to return the peace process to the track of direct negotiations. Above all, we champion the true cessation of all hostilities.

The objectivity of the United Nations and all other influential international factors is essential for the progress of the peace process. This is the basic premise for the effectiveness of the UN peace mission, the security of the UN peace troops, and the protection of the prestige and reputation of the international organization.

Our overall work is geared precisely toward making a change for the better as soon as possible and, with this, improving the position of our country at the international level. I would like to reiterate that our primary determination is one for peace and the solution of all problems by political means. The prosperity of our country and each of our citizens can only by possible in peace.

The FRY—I can freely say so today in front of you, as you are witnesses that this is indeed true—has a powerful, well-trained, and expert army, which is at any moment ready and capable of defending the FRY borders and safeguarding the freedom and peace of our citizens. To you, and to all members of the Yugoslav Army I wish good health, personal happiness, and much success in your further work. Cheers! [end recording] [passage omitted]

Defense Minister Comments on Defense Policies

LD1506161695 Belgrade TANJUG in English 1429 GMT 15 Jun 95

[FBIS Transcribed Text] Belgrade, June 15 (TANJUG)—Yugoslav Defense Minister Pavle Bulatovic has said that Yugoslavia "will not join military alliances which aim to threaten the security of other countries."

In an interview to the latest issue of the Yugoslav Army weekly VOJSKA, Bulatovic said it is the right off all countries to have their own independent foreign and domestic policies if this does not threaten the security of its neighbors.

Bulatovic said the Yugoslav defense doctrine is based on reliance on one's own forces and potentials.

This does not exclude the possibilities of establishing a war alliance in a possible and imposed war on the basis of identical strategic interests, joint war aims and the right to individual and collective self-defense guarranteed by the U.N. Charter, Bulatovic said.

Bulatovic said that Yugoslavia's peace efforts and the support of the peace forces "can in no way jeopardize the affirmation of a strong defense and actions aimed at enabling the armed forces to be able to repell an aggression."

Bulatovic recalled that Yugoslavia has no territorial pretensions toward any of its neighbors and that it is "oriented toward a strong defense, which is of major importance for our (Yugoslav) peace policy."

"Without a strong defense, every peace effort lacks a material basis and represents an unfounded doctrine which borders on illusions," Bulatovic said.

Sends Army Day Message

LD1506162095 Belgrade TANJUG Domestic Service in Serbo-Croatian 0657 GMT 15 Jun 95

[FBIS Translated Text] Belgrade, 15 June (TANJUG)—On the occasion of 16 June, Army Day, the Federal Minister of Defense, Pavle Bulatovic, has sent a message of greetings to the Army of Yugoslavia and the Federal Ministry of Defense in which he says that the wartime alliance treaty singed by Serbia and Montenegro in 1876 meant more than just a written confirmation of the centuries-long brotherhood of the two peoples.

This brotherhood must serve as an obligation to present-day officers and soldiers of our army to follow the examples of manhood and heroism displayed by our glorious predecessors in past wars against foreign conquerors.

Despite all the difficulties, our army is being transformed into a modern, well-organized army with efficient fire power, a highly professional and depoliticized armed force which reflects the requirements of defending the sovereignty, territorial integrity, independence and constitutional system of the Federal Republic of Yugoslavia.

We owe our successes to the high professional and moral qualities of the Army of Yugoslavia soldiers—Minister of Defense Pavle Bulatovic says, among other things, in his message of greetings.

Naval Commander Views Forces, Strategies

AU1606062195 Podgorica POBJEDA in Serbo-Croatian 9 Jun 95 p 4

[Interview with Rear Admiral Milan Zec, commander of the Yugoslav Navy, by Vojin Bozovic aboard the Galeb Training Ship; date not given: "Vigilant Guards of Sea and Coast"]

[FBIS Translated Text] The Yugoslav Navy is marking its third anniversary in the new FRY [Federal Republic of Yugoslavia] today. On this occasion, POBJEDA and Montenegrin Radio journalists talked with Rear Admiral Milan Zec, head of the Navy, aboard the Galeb training ship.

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[Bozovic] Commander Zec, what is the military position of the FRY at the moment?

[Zec] In this respect, we can reach a general conclusion dictated by the FRY's military-geographic position, which is that the naval position of the FRY has become less favorable, not to say unfavorable, although it may even become such. Why? Because the FRY coast is squeezed in between the coasts and territorial waters of Albania and Croatia. In the military view and under the assumption that both countries have a hostile orientation toward us, from their territorial waters they have the opportunity of operating weapons in our territorial waters. This is where the unfavorability lies. In these cases, the role of the Navy is to defend the sovereignty and territorial integrity of the country's waters in the designated theater of operations, as well as to protect state and economic interests at sea and along the coast.

[Bozovic] What are advantages and weaknesses of the FRY's naval position?

[Zec] The relative weaknesses of such a position are, first of all, openness to the sea and the existence of just a single, natural harbor fully protected for securing ships, namely the Boka Bay area.

The advantages of this position are the possibilities of organizing a compact, stable, and strong defense of the sea, and doing so with a relatively small force. Such defense would be carried out with the support from well-fortified positions along the coast from which it is possible to provide fire cover for a broad zone in which shock groups of the fleet could respond rapidly with air support.

[Bozovic] What are the strategic factors in any possible threat to the FRY, particularly from the sea?

[Zec] Well, this is a rather delicate and complex issue under these conditions, but we can point to some factors. For instance, a complete blockade of the sea has been under way for a full three years. It is part of the sanctions of the international community that have been imposed against our country without any reason. In this way, we have been threatened strategically. Although weapons have not been used, this is, nevertheless, a kind of demonstration of force against the land of the Serbs and Montenegrins on the part of the most powerful world forces. To make the irony even greater, this country is the only one that is conducting a peaceful policy in the region, something that we members of the Navy fully support.

However, in my opinion, one should closely follow the growth of the military's potential in Croatia and retain the possibility of a military response, because now and in future, this could be a factor threatening the FRY from sea and the coast, considering the aspirations that Croatia shows toward Boka.

[Bozovic] To what extent did the breakup of the SFRY [Socialist Federative Republic of Yugoslavia] affect the realization of the programs of the development of the fleet and Coast Guard?

[Zec] It is known how the breakup of the SFRY occurred. This is when the JNA [Yugoslav People's Army] also ceased to exist. The Yugoslav Army was formed on the basis of materials, personnel, and other JNA elements. In this connection, we can also speak about the development of the Navy, which includes the fleet and the Coast Guard. The vessels of the fleet that we plan to keep for a longer period are currently 15 years old, which means that about 40 percent of their life spans have been used up. According to a regulation of the profession, it is every 10-15 years that one refits ships, so we should do that now. However, sanctions and the grave material position of the country will force us postpone this. Nevertheless, we can now do a lot of work on this program and we have been doing so as well. This applies to the state of the Coast Guard, although the program of its development is easier to realize as it is generally cheaper than the program of rearming and developing the fleet.

[Bozovic] Within the consolidation of the FRY, the transformation of the Yugoslav Army is one of the priority strategic and state issues. How far has this process developed as regards the Navy?

[Zec] The Navy has been created and, with its size and structure, it guarantees the performance of combat tasks. The Navy has been formed into a single, compact unit of the Yugoslav Army, comprising the fleet with the Coast Guard defense units and forces, as well as other units that have been conceived so as to meet the requirements of all combat operations, ranging from antiship operations at sea to military-police ones, as well as special maritime actions.

The problems that still remain to be solved over a longer period mainly concern the infrastructure buildup and housing construction. Of course, there are also some less important ones.

[Bozovic] There are rumors about the unlawful seizure of equipment for the needs of the Navy in the wake of the breakup of the former SFRY.

[Zec] This story about the unlawful seizure of property has recently appeared in public and is basically not true. We have brought to the FRY all the mobile weapon systems of the Navy of the former JNA. This involves ships and other systems, but we have left all real estate. I shall mention only some: the Kraljevica shipyard with

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its complete technical equipment and personnel, a plant of the Split shipyard, a special plant with personnel, the Lora Naval Base with the training center and its complete equipment, a military hospital in Pula, the recently completed state-of-the-art command center of the Split Naval District, a missile center, and a fortified tunnel-type facility. What I have listed, not including tens of thousands of military facilities, represents a far greater value than our mobile weapon systems.

It is not that we have harmed Croatia, whose investment was not the highest in the SFRY; on the contrary, if there is any remuneration, they would certainly have to give a lot to us.

[Bozovic] What is your comment on the ever more frequent accusations that the Navy represents a great obstruction to the development of tourism and that the military hardware is too great?

[Zec] Not a single attack by the media on the Navy in this respect is true. They are proceeding from half-truths, false arguments, and incomplete information presented in an unprofessional way. We have taken a general stand of not responding to each of these attacks, but I will nevertheless say something about them.

For instance, attacks aimed at presenting the Navy as a decadent obstacle to the development of tourism along the coast are not based on truth and cannot be true. I do not want to elaborate upon that, but I would like to point out the examples of highly developed tourist countries in the world, which have very highly developed naval fleets stationed exactly in top tourist centers. If one takes this into consideration, the accusation that we are impeding development is not true. After all, a navy must be stationed on its own sea. There is no example in the world of a country having a sea and a coast but not having a navy. If these allegations on the part of some are true, then some of these countries would have given up their navies.

These stories about the oversupply of military hardware are in fact connected with "hampering" the development of tourism and ecology. Can we speak of oversupply when all the naval hardware needed by the fleet is entirely stationed at the Tivat Sava Kovacevic Institute? We are going to have our naval fleet in accordance with the interests of the state.

I would conclude with the following words: I would like those who accuse the Navy to defend their assertions. In this way one gets the impression that they are engaging in verbal assaults with a view to creating a negative public image of the Yugoslav Army and the Navy within it.

[Box, p 4]

The Naval Academy in Kotor?

[Bozovic] Could you tell us something about the system of education in the Yugoslav Army, with special reference to the Navy?

[Zec] The education system in the Navy was developed as part of the overall education system of the Yugoslav Army. When the formation of the Yugoslav Army was being worked on, the economic moment, saving was very much present, just as it is now. The Yugoslav Army, being a national organization, opted for the most economical solution. That solution has brought the Naval Academy to Belgrade, within the Military Schools Center. However, we think that the education of people for the Navy must take place in the natural surroundings of the sea.

There are many reasons for this, but this would be possible only after it is discussed at the state level. We consider it to be a more economical solution to combine civilian maritime and military naval education. If it succeeds, I think that we will get an optimum solution that would be reflected in the following: a future university center for maritime personnel, which would be stationed somewhere along the coast. We would thereby get a combination of academy and maritime colleges and the possibility of having joint general subjects, as well as separately developing specific naval and civilian subjects.

Serbia

DS Leader Djindjic Views Recognition Issue

AU1506130195 Zagreb GLOBUS in Serbo-Croatian 9 Jun 95 pp 50-51

[Interview with Zoran Djindjic, chairman of the Democratic Party of Serbia, by Ines Sabalic in Belgrade; date not given: "Milosevic Does Not Even Think of Recognizing Croatia: Even the Recognition of Bosnia-Herzegovina Would Mean a Defeat of His Policy!"]

[FBIS Translated Text] As one of the founders of the Democratic Party [DS] and politician with a doctorate in philosophy from a German university, Zoran Djindjic is one of the most interesting personalities on the Serbian political scene. Dynamic and very pragmatic, Djindjic entered politics from the left wing. He is known as a politician who understands and articulates the mood in his country excellently, so for that reason the change of the direction or emphasis of the DS leadership is particularly important for understanding a great part of the Serbian public.

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Until recently a hard-line supporter of Radovan Karadzic, since the hostage crisis even Djindjic has distanced himself from Karadzic, and now he is proposing apparently more acceptable Pale leaders, as well as apparently more acceptable leaders in Knin, while, in highest political circles in Belgrade, the recognition of Bosnia-Herzegovina is not expected to take place before late June.

[Sabalic] How do you view the possibility of the mutual recognition of Belgrade, Zagreb, and Sarajevo?

[Djindjic] Mutual recognition is possible as pressure is exerted on Belgrade by the international community.

I also think that the possible mutual recognition of Milosevic, Tudjman, and Izetbegovic does not depend on democratic processes, but rather on secret diplomacy, which is inaccessible for those of us who are not directly involved.

In such circumstances, the recognitions cannot be the result of any natural political development among those countries, nor can they be the final act of the normalization of mutual relations. Rather, it can be just one of the moves in the war in which they are trying to outsmart one another and score points for themselves. I doubt that the consequences will be worth the effort, and I doubt that the possible positive effects will be equal to the energy put in.

On one hand, one is talking about mutual recognition, while on the other hand tanks and guns are being amassed. So this is how those countries are acting—they are supposed to recognize one another while preparing to start a war! I, personally, would be much happier if there were a natural, democratic process of harmonization of interests and a peaceful settlement of disputes. I would like the problems to be settled first, so that mutual recognition would have only a minor, formal significance.

Recognitions

[Sabalic] How does the Yugoslav public view the fact that Belgrade might recognize Bosnia-Herzegovina, and what would the attitude be regarding the possible recognition of Croatia?

[Djindjic] The public here does not view it as real recognition, but rather as an instrument of accomplishing some other goal. The question is only of what goal.

The recognition of Bosnia-Herzegovina is viewed as a support for the intention of Alija Izetbegovic to create an integral state in which brotherhood, unity, and civil rights would exist just like in the former Yugoslavia, while behind those vows—in the opinion of the people in Serbia—the supremacy of the Muslims would come about, who will tend to make their own state out of Bosnia.

For that reason, Milosevic has so many problems with the recognition of Bosnia. He knows that the recognition will be understood as a strengthening of the Muslim side and a weakening of the Serbian side.

The recognition of Croatia would be understood as prejudging the definite solution and as the recognition of unitary Croatia. That would be understood as Milosevic giving a mandate to Tudjman enabling him to do whatever he wants in his territory.

That is to say, the public does not see that, by the recognition, politics would be elevated to a higher level, that the situation would stabilize, but rather it considers that it would mean support for one side and weakening the other. Moreover, the support would be given to the side in the conflict that we consider to be negative. In brief, the attitude of the public in Serbia toward the recognition is negative.

[Sabalic] Do you refer to the entire Serbian public?

[Djindjic] I refer to the majority of the public, to the people who do not have any particular ideological interest in justifying steps taken by the president. Of course, Milosevic has followers who will support him no matter what he does, even if he were to declare war on the United States. I do not take them into account, because they are inconsistent. Yesterday they were calling for war, today they are calling for peace, that is, they are calling for whatever their boss tells them to call for, while merely changing the contents. They are Milosevic's activists and their clients, and they make up the apparatus whose strengthening and expansion has always been advocated by the Socialist Party of Serbia [SPS].

Today that apparatus has 100,000, 200,000, or perhaps 300,000 people, whose interest is to stick with the party and the state—they are the state, as a matter of fact. They will support everything that the prime time news communicates as the official stance. But the public that exists apart from that state structure, and even a part of it that normally supports the SPS, is against the recognition.

An additional difficulty is that the recognitions have been discussed just as the situation in the field intensified: in western Slavonia with regard to Croatia and since the offensive (by the Army of Bosnia-Herzegovina) started in Bosnia. People in Serbia are asking themselves whether it means that Sarajevo and Zagreb are given the right to do whatever they want.

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Perhaps that is not true, but people understand it in such a way—if you have recognized Bosnia, then you have sold out the Serb republic, you have sold out the Serbs.

Most probably Milosevic does not think so, and most probably the issue is not so simple, but he himself, by his propaganda, has reduced people's attitudes to those cliches. It is absurd to suddenly start talking arguments to the people who are not used to listening to arguments. The state-run television has been brainwashing everybody with cliches. Today it is difficult to explain the complicated background of a political event to the people who are used to seeing everything in terms of black or white.

Civil Opposition

[Sabalic] How is the question of Bosnia's and Croatia's recognition articulated by the moderate civil opposition?

[Djindjic] We in the DS are trying to view the entire problem in a broader context of trends and global events, precisely because we are not in a position to interfere with daily decisions. Stating our views on those moves can only harm us. Besides, President Milosevic does not inform us or consult us on anything, even though he regularly meets with Tudjman and Izetbegovic's envoys.

In our understanding of the situation, there are two options: either that of war, or that of long, painful, disappointing negotiations. There is no third option. We support the long, painful negotiations and the strengthening of democratic institutions, because democratic institutions presuppose a minimum of trust.

[Sabalic] Where would those negotiations lead to? What would be their goal?

[Djindjic] They would lead to Zagreb and Knin's comprehension that they have to live together.

[Sabalic] What option would the intellectual Serbian opposition be able to present to the public, that is not mere philosophizing, the final goal of which is the creation of greater Serbia? What would you propose as a good, well-considered solution to the situation in Croatia?

[Djindjic] The situation is not likely to produce any good solution. It is impossible to think of anything good in such a situation. Even if I were the president of Serbia, if I had such authority, I would not know what solution to propose for the situation in Croatia.

Therefore I think that only time may bring about the solution, because the concepts supported by the people in Krajina and those in Croatia are mutually exclusive. Those two concepts can only be accomplished by war and the defeat of the opposing side. We expect that passions will calm in time and that a compromise will be found.

Borders

[Sabalic] Why cannot you accept that the question of borders was settled in 1945?

[Djindjic] Because, at the time, the borders were proclaimed absolute by the dictatorial regime. That decision was made without a democratic consensus. It was not democratically constituted, and simply, it was not legitimate.

We in Belgrade do not see why Croatia should have a greater right to secede from Yugoslavia than Krajina to secede from Croatia. The principle is the same: There is no common state, while the new organizations are ethnic. Each of them is taking for itself what they can.

However, I repeat, the international community said: "Hold on, the republics are the borders!"

[Sabalic] Will the recognition of Bosnia-Herzegovina by Belgrade, which appeared almost certain at one moment, and the possible recognition of Croatia be considered by the public in your country as a defeat for Milosevic?

[Djindjic] Yes, it will be considered as a defeat of his policy. It is a defeat of his policy, indeed, which does not necessarily mean that his policy was right. When, in 1990, the option of Yugoslavia as a confederation was topical, the Serbian socialists made it a condition for the confederation that the borders would be changed. Whereas now there is no confederation, nor will the borders be changed, at least with regard to Bosnia. That is to say, Serbia has got less than what was offered to Milosevic in the beginning. And he thought he would get more. I believe that he wanted to reconstruct the socialist Yugoslavia without Slovenia, that is, a Yugoslavia in which socialism would be maintained with the help of the Serbs and the army.

In foreign policy, his consideration was that, at the time this was topical, Gorbachev would be ousted by the generals, that Russia would restore the Eastern Bloc, of which Yugoslavia would be the jewel in the crown.

The Serbian opposition was against that from the very beginning, and we considered it crazy to stick to the concept of socialism. We were for a radical change of the system and that the policy on the Serbian role in the collapse of Yugoslavia should be arranged in a democratic way. Which means: If we support Knin and Pale, that would be a democratic decision, and it would be precisely known how far our support goes, why we support them, and from which positions we negotiate with Tudjman and Izetbegovic. There would

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be no behind-the-stage games, spying or frame-ups, but it would all be done in a civilized way, just like when the British negotiated the Falklands with Argentina.

[Sabalic] It is well known how those negotiations ended, though!

[Djindjic] One needs two sides for a war.

[Sabalic] What will be the effect of the almost certain recognition of Bosnia-Herzegovina on the Serbs outside Serbia? What would the recognition of Croatia by Belgrade mean for them?

[Djindjic] That is a blind alley. For the Serbs outside Serbia, it will be a great psychological blow, and the kamikaze syndrome will intensify among them. They will feel they have gone too far, and that they can only die for their nation's glory. I hope that it will not last for very long, though.

I hope that the Serbs in Bosnia will understand that nothing has changed considerably, and that their problems--the daily ones and those regarding the state—will have to be solved over many years or even decades, and that a signature alone does not bring about either positive or negative solutions.

The situation in the Serb Republic is still less dramatic than it would be in Krajina in a similar case, because the things have gone considerably further in the Serb Republic.

That is, I cannot imagine peaceful coexistence of Krajina and Croatia. On the other hand, I can still imagine the coexistence of the Serb Republic and the Muslim-Croat federation and, after several years, even a very good one....

[Sabalic] Perhaps even a joint state?

[Djindjic] Perhaps. After a certain number of years a series of functions will be derived out of everyday needs. But even now we can assume that we would be satisfied with the concept. The Serb Republic as one state, the federation as the other, with two or three common functions, under a common roof. To a degree, they would depend on each other, so, in the beginning, it would not even be so important that they do not particularly like each other. They will forget about that after some time.

However, as for the second case, that of Croatia and Krajina—I do not see that possibility. The bonds between Knin and Zagreb are much greater, and there is no postponement or separate existence. They would have to trust each other immediately.

[Sabalic] How would you comment on further parceling up of Krajina? As far as I understand, Hadzic wants to secede from Krajina and eventually join Serbia....

[Djindjic] I think that each of those leaders has his own geostrategy.

Babic wants a completely independent Serbian state in Krajina that may later form various federal or confederal alliances. Hadzic and Mikelic have different plans; they are proclaiming a secession and pursuing their independent policy.

Those are manifestations of further feudalization, the result of which is that no real state has existed on that territory for very long, but rather only a provisional state. Yet, it will take a lot of time for such a process to sufficiently weaken Krajina militarily that it would not be able to offer any strong resistance. It is not realistic to expect that the entire region would be overcome by ennui—no, two or three cores will remain.

Western Slavonia is not a good counterargument or example. One could not do with Knin what has been done with western Slavonia. I am afraid that somebody might take western Slavonia as a model: We shall let them fight among themselves a little, and then we shall do away with them in one day. I think that such assessments disclose an entirely wrong strategy. In my opinion, the economic negotiations that preceded the events in western Slavonia were a good strategy.

[Sabalic] You have mentioned that the possible recognition of the two countries would be considered a defeat of Milosevic's policy. Would President Milosevic take into account the dissatisfaction of his people?

[Djindjic] He said earlier that the recognition of Bosnia-Herzegovina and Croatia might come about when at least a minimal accord was achieved in those republics. That is, when Knin and Zagreb come close enough in the negotiations, when some solution is at hand, and when the Serb Republic on one side and the Muslims and the Croats in Bosnia on the other show signs of getting closer to some solution—then there will be no reason for us not to recognize them.

That is acceptable to me, as well. Formally, we are not a side in the conflict, and the problems within those republics will not be resolved if we, from the outside, say: All right, we shall recognize those two countries.

Krajina

[Sabalic] There are people who think that official recognition of the two countries, or republics, as you put it, on the part of Serbia, would help resolve many things.

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[Djindjic] What, for instance?

[Sabalic] I shall mention just one of many positive aspects in our opinion: Say, the Serbs in Krajina would remain without the powerful protector who is confusing and disorientating them, and they would be more willing to consider the option of reintegration into Croatia.

[Djindjic] I think that the political frame of mind in Krajina is such that they do not need the support of Serbia or Yugoslavia to understand that they themselves are a political subject as well. They have become so firm in their self-awareness of being a state that they would understand that as a betrayal on the part of a friendly country. Our reaction was similar when the Russians voted for the sanctions against Serbia. Then we said: The Russians have abandoned us, but who cares, we shall survive that.

The issue has gone too far for anybody to be able to lower the temperature in Knin by lowering it in Belgrade. It would take several years to perceive the effect of such a move. Martic and Babic have established such administrative structures that Krajina is able to function peacefully without Belgrade for several years, particularly since they have become closer to Pale and Banja Luka. They have already found a substitute for Belgrade.

[Sabalic] Viewing things as an outsider, one cannot perceive much triumphalism in their decision to unite.

[Djindjic] One should not underestimate the strength of the desperate, those who have been left in the lurch, who have burnt all possible bridges behind them, so that they can only go forward.

[Sabalic] It remains unclear whether Milosevic heeds the discontent of his people, since the decision on the recognition of Bosnia-Herzegovina appears to be final. Dare Milosevic abandon Karadzic completely?

[Djindjic] I think he does not dare do that. A part of the public supportive of Milosevic may accept that only in the conviction that the president has made a move into which he was forced, but the move is not final, and it is just a maneuver. Any clear abandonment of Karadzic would cost him too much, and it would open up a great space for the radical elements. This would equal the opening of Pandora's box, indeed.

Therefore, I think that he will not recognize Croatia and that the issue will end up with Bosnia-Herzegovina only.

The Knin Serbs on Top of Everything Else

[Sabalic] Why is it easier to recognize Bosnia-Herzegovina than Croatia?

[Djindjic] Because the recognition of Bosnia-Herzegovina does not mean the recognition of an ethnic state in which the Serbs will be a national minority. Milosevic can say: You can divide the country among yourselves, for you are close to that anyway. However, that does not mean the recognition of the Muslim Bosnia, but rather of a joint state.

However, if he recognizes Croatia, Milosevic will not be able to say that he did not recognize only the Croatian Croatia. He would have to say—I have recognized Franjo Tudjman's Croatia.

Here, one would be able to say—I have recognized Bosnia-Herzegovina, but not that of Alija Izetbegovic, never that. The recognition of Croatia would demand Milosevic's extreme explicitness, so I do not think that he is even thinking about recognizing Croatia.

[Sabalic] Perhaps that introduces the possibility of a new Serbian-Croatian conflict?

[Djindjic] In the last two years, everything has been in the hands of Zagreb, and it had an opportunity to gradually pacify the minor front that is quite close to the major front in Bosnia. However, the change in the UNPROFOR [UN Protection Force] mandate, and particularly the events in western Slavonia, raised the stakes in the game.

My theory is that it does not suit Zagreb to have the return of the territories and the Serbs. Zagreb wants the territory back, but without the Serbs.

Zagreb is not happy with the Z-4 plan, nor does it find the autonomy of the Serbs desirable, because Zagreb could have many problems with that autonomy later on—just consider Istria. Zagreb will get the Muslims if it agrees to confederation with the Muslim-Croat federation. That will become a small Yugoslavia. In 10 years' time it will have the Muslims, Istria, regional tendencies—and the Knin Serbs on top of everything else! Therefore the Croats are trying to squeeze the Serbs out, more or less in agreement with Milosevic, and perhaps in exchange for some minor territorial concessions.

Belgrade seriously wants to talk, about Prevlaka or the Danube Basin, which diminishes the possibility of a severe reaction by Belgrade to what is happening in western Slavonia, for instance.

Vojvodina Hungarians Urge VMSZ To Cooperate

LD1506195095 Budapest Duna TV in Hungarian 1600 GMT 15 Jun 95

[FBIS Translated Text] The Democratic Community of Vojvodina Hungarians [DZVM] has offered interparty

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cooperation to the Association of Vojvodina Hungarians [VMSZ] three days before the VMSZ congress to be held in Subotica [Szabadka].

[Correspondent] To date there has been hardly any communication between the two organizations representing minority interests, the DZVM is also a party and the VMSZ is becoming one soon, because the VMSZ was formed by those who left or were expelled from the DZVM.

Now the DZVM has oproposed that the VMSZ adopt the DZVM's concept of autonomy so that they can jointly fight for autonomy on both the domestic and international stages.

Another significant area in cooperation would be joint action in the interest of a Hungarian school network in Vojvodina.

They also propose to share leading positions in the local authorities and to set up joint parliamentary groups in the provincial, republican, and federal parliaments.

VMSZ Chairman Ferenc Csubela has indicated that they will only study [DZVM chairman] Andras Agoston's proposal after their congress which is to start on 17 June.

Kosovo

Demaci Reelected Human Rights Council Chairman

AU1506173295 Pristina Kosova Daily Report in English 12 Jun 95

[FBIS Transcribed Text] The Prishtina-based [Pristina] Council for the Defence of Human Rights and Freedoms (CDHRF) held its biennial election convention last Saturday [10 June] in Prishtina. As reported, there was quite a substantial turnover in the presidency of the council. Adem Demaci, the well-known Kosova human rights activist, a man of letters who has served 28 years in Serbian/Yugoslav jails for his political struggle in favour of the promotion of the position of the Albanians in former Yugoslavia, was re-elected chairman of the CDHRF. Pajazit Nushi and Ismet Berdynaj were cl osen vice-chairmen, whereas Sami Kurteshi secretary of the council. The CDHRF, formed in late 1989, has played a key role in publicizing the human rights violations in Kosova, namely the Serbian-state sponsored repression, oppression, and discrimination of the people of Kosova [Kosovo].

Police 'Torture' Albanians, Step Up Arrests

AU1606061795

[FBIS Editorial Report] Pristina Kosova Daily Report in English No 634 and No 635 on 12 and 13 June carries several reports on Serbian police "ill-treatment" and "violence" against Albanians in various areas in the province.

A report on 12 June notes that the Serbian regime has "stepped up violence" against Albanian political activists and local authorities in Podujevo. The Democratic League of Kosova (LDK) Information Commission in Podujevo reports that over the past week, more than a "dozen political activists" were subject to "various forms of Serbian police ill-treatment." The Serbian police on 5 June raided the home of a BUJKU correspondent, who is also a municipal secretary for social issues in Podujevo. The correspondent had been arrested several times before, "threatened," and interrogated "about his political activities." Late last year, he was "tortured fiercely" for his BUJKU reports on "the Serbian police repression in the region."

It is also noted that the Serbian police on 7 June arrested the vice chairman of the LDK branch in the village of Sfeqel. On the same day, the police detained the chairman and a presidency member of the LDK branch at Batllave village and "ill-treated" them "severely" in connection with "alleged arms possession." On 7 June, the Serbian police arrested the chairman of the LDK branch in the villge of Bajcine, who was interrogated "for several hours" about "his political activities" and ordered to report to the police station again. The same sources report that an accountant with the municipal financing bureau in Podujevo was ordered to report to the Serbian police station on 9 June.

A monthly report issued by the Dakovica-based LDK Information Commission says that a total of 150 people in Dakovica underwent "various forms of Serbian police ill-treatment" during May. The report notes that "the Serbian police repression against Albanian people in the municipality has been stepping up unabated." It is further noted that "12 Albanians were summoned to the so-called police informative talks at police stations; eight others were interrogated by the Serbian state security officers; two Albanians were tortured by the police, while two Albanian families had their homes raided on in connection with arms searches. Over the past month, 97 draft-age Albanians were delivered Serbian Army inductions." The report says that "political activists," as well as "educational and human rights activists" were "particularly targeted by the Serbian regime" over the past month.

Sources in Suva Reka say that a former employee with the Kosova police living in Suva Reka was "forcibly evicted from his apartment" last week, after living there for "a dozen years." A Serbian family was given his apartment. The same sources report that another former policeman was ordered to "vacate his apartment" in

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Suva Reka last week, after living there for "over 14 years" and possessing all valid documentation.

The Serbian police on 10 June arrested a 26 year-old resident in Dobraje e Madhe village in Lipljan, who was first held at the police station in Lipljan and then sent to the Serbian Army barracks in Pristina "to serve out his military service." Sources in Lipljan report that the youth "had deserted the former Yugoslav Army (JNA) in 1991, in the wake of the breakout of conflict in Croatia."

The Serbian police on the morning of 12 June arrested a resident in Studim village in Vucitrn, who had been "detained four times" before, and "ill-treated" him "in connection with alleged arms possession." Under the same pretext, a Serbian police patrol on 12 June raided the homes of two Albanians from Dumnice village.

Sources in Dakovica say that the Serbian police "summoned" the Cermjan primary school principal to report to the police station and "interrogated" him about "Albanian education." It is reported that in Pristina streets today, the Serbian police detained a student from the village of Kravasari in Malisevo and took him to the cellar of one of the nearby buildings, "ill-treating" him badly.

Under the "alleged suspicion of being in possession of arms," the Serbian police in Podujevo summoned two Albanians from the village of Metohi to report to the police station every day. On 8 June, the Serbian police raided the home of a Lum Madh village resident, beating him up "severely" in front of his family.

On 10 June, the Serbian police in Prizren arrested an Albanian at his home in the village of Dushanove "for several hours" at the police station and ordering him to turn in a revolver he "allegedly was in possession of." He was released but ordered to report to the police station again.

LDK sources report on 13 June that the Serbian police summoned the chairman of the Municipal Education Funding Council and secretary of the LDK branch in Dragas, an educational activist, and a member of the local LDK Presidency and a Kosova legislature member to "police informative talks" to the police station in Dragas and interrogated them "in connection with their political and educational activities." The Serbian police "seized" all their documents.

Another report on 13 June says that the Serbian police on 12 June "detained and brutally ill-treated" a resident in the village of Maxhunaj in Vucitrn under the "alleged suspicion" of "being in possession of arms." Reports say that the Albanian "lost his consciousness" from "the Serbian police brutal torture" and was "immediately" taken to Mitrovica hospital. Reports from Vucitrn and Mitrovica say that his health condition "has not improved at all" and that "his life is in danger."

It is reported on 13 June that a Serbian police patrol on 8 June arrested an activist with the Pristina-based Naim Frasheri Albanian Teachers Association and took him to Serbian security headquarters, where he was interrogated for "six hours" about Albanian education issues and the activities of the Kosovo Education Ministry and the Pedagogic Institute. The activist was released but "ordered to report again" on 16 June.

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